

College of Applied Business (CAB)

Sent-up Examination, February 2015

BBA / Fifth Semester / MKT 201: Principles of Marketing

Candidates are required to give their answers in their own words as far as practicable.

Section 'A'

Time: 20 min

Brief answer questions.

[10 × 1 = 10]

- 1) What are principals of marketing?
- 2) State the macro environment of marketing?
- 3) State the process of market segmentation.
- 4) Write four features of marketing information system.
- 5) What is organizational buying behavior?
- 6) What are the 7ps of service marketing strategies?
- 7) What is pricing objectives?
- 8) Define quality marketing.
- 9) State the choice of mode of transport.
- 10) Write four objectives of advertising.

Section 'B'

Time: 30 min

Short answer questions.

[2×5 = 10]

- 11) What is a new product? Explain the process of new product development.

OR

Explain the external factors affecting pricing decision.

- 12) What is channel of distribution? Explain the channel levels for distributing consumer products.

OR

Differentiate between selling and marketing concept.

Section 'C'

Time: 80 min

- 13) Comprehensive answer questions.

[4 × 5 = 20]

Case study:

Since the entire system of business activities is customer oriented, customer satisfaction has become the prime focus of modern marketing firm. When this connotation is applied in service sectors, especially in air services, it increasingly felt that customers believe in relationship marketing value, which they expect will lead to trust, familiarity and cost savings. Airlines companies, in fact deal with adjunct goods and services. The offer consists a core service along with some additional services. For example, the travelers essentially buy transportation service but the trip also includes foods, drinks, magazines and so on.

A survey has revealed that among 400 respondents, about 70% preferred Buddha Air for domestic travel whereas only 4% Sita Air. In the same way, it showed that Cosmic Air and other air services were preferred by 18% and 8% respectively. The basic reasons to have such choice are safety conditions, additional services they offer and take-off time bond. However, the Nepalese travelers do not have brand loyalty. More than 64% respondents were found switching to other airlines when they didn't find tickets of the chosen airline. This trend of

switching behavior also resulted from demographic factors such as age, gender and occupation of travelers.

Although almost all airlines claimed that customers are the bosses, the latter were not satisfied with services of the airlines they used to prefer. Similarly, “travel-by-air-attitude” has developed more by personal experience of customers in Nepal, than advertising. However, customers were found pleased with air hostesses’ manner and behavior during flights.

All these situations make it obvious that air travelers have become highly conscious about price and hence it is suggestive that airlines companies in Nepal need to change affordable price in one hand and allow discounts to orphans, olds, invalids and sick. Safety measures are highly recommendable and seats layout are demanded comfortably spacious. Since it had been responded in the survey that heavy delay in take –off creates boredom and monotony, the operating airlines certainly need for ensuring schedule flights.

The respondents also expressed, “Candies are to lure children, and in fact, there are never services. It is the item for refreshment and entertainment that certainly remove fear, terror or mental tension during the passage of a flight”. Many of the respondents also opined that the crew’s negligence has caused many blasts in the past. Therefore, they must perform their commitment. One very remarkable expression of the respondents was, “The flight cancelled or delayed, must be communicated on time”.

Questions:

- a) What do domestic air travelers expect from airlines companies and why so?
- b) What responses have been expressed by the air travelers about the choice of their airlines and why they expressed so?
- c) What are general opinions of Nepalese travelers about air services, facilities and schedule flight?
- d) In your opinion, what should the Nepalese airlines companies do to prevent travelers from switching habits?