



UNIVERSITY OF RUHUNA
FACULTY OF MANAGEMENT AND FINANCE

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Total Marks: 70

BBA 1206 – Marketing Management

BACHELOR OF BUSINESS ADMINISTRATION DEGREE 1000 LEVEL

SECOND SEMESTER END EXAMINATION – June/July 2015

Three Hours

Instructions: Answer **FIVE QUESTIONS** including **Question 1**

Question 1

Tea and coffee are mostly used warm beverages in many societies around the world. They are consumed differently in different countries. In certain societies people prefer more coffee over tea while reverse is the truth for some other societies. In Sri Lankan market, tea is mostly preferred while coffee often substitutes tea, but coffee is demanded and never substituted for tea by significant number of people. Sri Lankan authentic tea is world famous for its high quality while Sri Lankan coffee is not that popular abroad.

Coffee consumption in Sri Lanka has been increasing during last few years. The proliferation of coffee cafes and the increasing consumption of coffee at funeral houses are few highlights that we observed during the recent past. This trend is substantial in urban areas such as Colombo and Kandy.

Furthermore in the past decade, the tea industry has been more innovative and local branded producers have thrived in local markets after initial focus on branding and sales abroad. Even though coffee is considered, as a substitute to tea, increasing consumption of coffee in Sri Lanka has not influenced over on domestic consumption of tea, thus, hasn't reduced as the figures show.

- a. List the usage related similarities and differences between coffee and tea in Sri Lankan market and discuss the marketing related implications. **(4 Marks)**

- b. Explain the marketing relevant differences when you sell tea and coffee as products that customer brings home and consumes vs. selling tea and coffee in a tea and coffee shop. **(6 Marks)**
- c. Foreign tasted coffees that are well branded acquiring Sri Lankan traditional coffee market. Suggest some strategies for Sri Lankan traditional coffee marketers to compete with foreign tasted coffee. **(4 Marks)**
- d. Suppose you are going to start a tea and coffee shop where the consumer will be offered the chance to taste them being in the shop. The location to the shop supposed to be in front of the sea where more business and international tourist communities prefer to visit.
- i. Identify marketing relevant variables that you can use in segmenting the market. Explain why these variables are important in segmenting the tea and coffee market. **(4 Marks)**
 - ii. Segment the coffee market by using at least two variables. **(4 Marks)**
 - iii. Identify segment(s) that you would like to target. Explain why you selected it or them. **(4 Marks)**
 - iv. What is the way that you want to position in the market? Explain your answer. **(4 Marks)**

Question 2

- a. What is the difference between a product orientation and a production orientation? **(3 Marks)**
- b. Many manufacturers of consumer goods allow their staff to buy products at a discount. Likewise, many firms have collaborative arrangements with other firms in the industry, even with competitors. How can these arrangements be considered in terms of environmental analysis? **(7 Marks)**

Question 3

- a. What **decision-making steps** would you expect someone to take if he or she were considering buying a Television? Explain each step in brief.
(3 Marks)
- b. What **influences** might you expect him or her to be subject to during the buying process of a Television? Explain at least two influences in detail.
(7 Marks)

Question 4

- a. List the core, expected and augmented product levels of a luxury hotel. Explain how do they differ from a street restaurant?
(7 Marks)
- b. Why is differentiation so important? List and describe five dimensions a marketer can use to differentiate a hotel.
(3 Marks)

Question 5

- a. Review the elements of the promotion mix.
(3 Marks)
- b. Discuss the advantages and disadvantages of sales promotions and public relations.
(3 Marks)
- c. Consider a super market and discuss the strategies for improving the sale of fresh fruit and vegetables in the market place at the point of delivery to the customer.
(4 Marks)

Question 6

- a. If most new products fail, why do companies innovate?
(3 Marks)
- b. Explain the stages in the product life cycle.
(3 Marks)
- c. How does the product life cycle relate to the innovation diffusion cycle?
(4 Marks)
