



# SLIM

Founded in 1970 Incorporated by  
Act No: 41 of 1980 of the Parliament  
of the Democratic Socialist Republic of Sri Lanka

## Sri Lanka Institute of Marketing

### Preliminary Certificate in Marketing

07 April 2019 – Examination

PCM I 2019 – 101<sup>st</sup> Intake, 29<sup>th</sup> Year

<b>Candidate's Registration Number</b> (As per in the examination admission form / Student ID)	0	0	0	0	0									
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For Examiner's use only	Part One	1 <sup>st</sup> Marker	2 <sup>nd</sup> Marker	Final Marks
	Examiner's Comments	Question 01		
Second Examiner's Comments	<b>Part Two</b>			
	<b>Question No.</b>			
	Question 02			
	Question 03			
	Question 04			
	Question 05			
	Question 06			
	Question 07			
	Question 08			
	Question 09			
	Question 10			
	Question 11			
	<b>Part Three</b>			
	<b>Question No.</b>			
	Question 12			
Question 13				
Question 14				
Question 15				
<b>Total</b>				

# Instructions to Candidates

Time: 0930 hrs – 1230 hrs

Duration: Three (03) hours

There are three parts in this question paper.

## Part One

- This part has 40 multiple choice questions. It is a **compulsory** section. Candidates are expected to select the most suitable answer and tick the selected answer in the given box in the question paper itself.

## Part Two

- Candidates are expected to answer the questions in the space provided in the question paper. **All answers are compulsory.**

## Part Three

- Candidates are expected to answer **only two** questions out of four.
- Answers should be written in the additional supplementary answer sheets provided and they should be attached to the question paper itself.

## Other Instructions

- State your Registration Number on the front cover of the answer book and on each and every additional paper attached to it. Your name must not appear anywhere in the answer book or answer scripts.
- Always start answering a question on a new page.
- You are reminded that answers should not be written in pencil or red pen except in drawing diagrams.
- Answer the questions using:
  - Effective arrangement and presentation
  - Clarity of expression
  - Logical and precise arguments
- Illegible hand writing will be penalised.

## PART ONE

Read the question and select the most appropriate answer  
Tick your choice in the given space

### Question 01

#### Question 1.1

Fill in the blank with the appropriate words in the correct sequence.

Marketing is the management process responsible for \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ customers' requirements profitably.

- a) Identifying, anticipating, satisfying
- b) Marketing, promoting, satisfying
- c) Delighting, identifying, satisfying
- d) Anticipating, identifying, communicating

#### Question 1.2

A Management concept whereby organizations consider not only their customers and profits but also the good and well-being of the society and integrate social, economic and environmental concerns in their business operations is known as:

- a) Marketing ethics
- b) Selling concept
- c) Marketing myopia
- d) Corporate social responsibility

#### Question 1.3

Fill in the blank with the appropriate words in the correct sequence.

Relationship marketing is the process of creating, building up and managing \_\_\_\_\_ with customers, \_\_\_\_\_ and suppliers.

- a) Long-term relationships, competitors
- b) Long-term communications, financial institutions
- c) Long-term relationships, distributors
- d) Sales transactions, competitors

#### Question 1.4

According to Kotler, "Orienting and motivating customer-contact employees and supporting service people to work as a team to provide customer satisfaction" is termed as:

- a) Competitor orientation
- b) Ambush marketing
- c) Internal marketing
- d) Marketing communication

#### Question 1.5

A short-sighted and inward looking approach to marketing when a company views marketing strictly from the standpoint of selling a specific product rather than from the standpoint of fulfilling customers' needs and wants is known as:

- a) Marketing myopia
- b) Transaction approach
- c) Marketing intelligence
- d) Marketing orientation

#### Question 1.6

Which macro environmental factor is missing from the following list?

Political, economic, social, ecological, ethical, technological

- a) Suppliers
- b) Legal
- c) Distributors
- d) Public

#### Question 1.7

Sales force reporting data that already exists within an organisation is known as:

- a) Internal, primary data.
- b) External, secondary data.
- c) Internal, secondary data.
- d) External, primary data.

**Question 1.8**

A systematic attempt to supply continuous, useful, updated stream of information to decision makers for decision making is known as:

- a) Secondary data
- b) Marketing mix
- c) Marketing information systems
- d) Personal selling

**Question 1.9**

A specific type of marketing research method whereby data is received from a small group of 5-20 respondents in hopes of determining the motivation for consumer purchasing decisions made is an example of:

- a) Advance research
- b) Observational research
- c) Experimentation
- d) Depth interviews

**Question 1.10**

The decision process and actions of people involved in buying and using products is termed as:

- a) Personal selling
- b) Public relations
- c) Buying behaviour
- d) Product orientation

**Question 1.11**

A market place in which all the individual and households buy goods and services for personal consumption is defined as:

- a) Consumer market
- b) Industrial market
- c) Business market
- d) International market

**Question 1.12**

The consumer's purchase decision can be directly influenced by marketers through the use of which of the following?

- a) Marketing database
- b) Promotional offers
- c) Environmental factors
- d) Market research

**Question 1.13**

Fill in the blank with the appropriate word.

\_\_\_\_\_ is arranging for a market offering to occupy a clear, distinctive and desirable place relative to competing products in the minds of the target consumers.

- a) Merchandising
- b) Geographical segmentation
- c) Positioning
- d) Target marketing

**Question 1.14**

The target marketing strategy, which focuses on what is common in the needs of consumers rather than on what is different is known as:

- a) Concentrated marketing
- b) Positioning strategy
- c) Unique selling proposition
- d) Undifferentiated marketing

**Question 1.15**

The five levels of a product are:

- a) Core product, basic product, expected product, augmented product and potential product
- b) Core product, basic product, actual product, augmented product and extended product
- c) Actual product, basic product, expected product, augmented product and potential product
- d) Core product, basic product, expected product, augmented product and physical product

**Question 1.16**

The four key steps in building a brand in the brand development process are:

- a) Brand recognition, brand acceptance, brand awareness and brand loyalty
- b) Brand recognition, brand acceptance, brand preference and brand awareness
- c) Brand recognition, brand acceptance, brand preference and brand loyalty
- d) Brand recognition, brand awareness, brand preference and brand loyalty

**Question 1.17**

Consumer products such as consumer durables which are less frequently purchased based on suitability, quality, price and style are an example of:

- a) Convenience products
- b) Specialty products
- c) Shopping products
- d) Industrial products

**Question 1.18**

Fill in the blank with the appropriate word in reference to services marketing.

\_\_\_\_\_ means the quality of services may vary greatly depending on who provides them and when, where, and how they are provided.

- a) Perishability
- b) Variability
- c) Inseparability
- d) Intangibility

**Question 1.19**

All the products and services a company offers to its customers are known as:

- a) Product mix
- b) Potential product
- c) Selling concept
- d) Marketing research

**Question 1.20**

The key stages the product goes through from its introduction to withdrawal is known as:

- a) Product life cycle concept
- b) Product development process
- c) Brand development
- d) Product marketing strategy

**Question 1.21**

A pricing strategy, whereby a monetary amount or percentage is added to the cost of the product is referred to as:

- a) Cost based pricing
- b) Skimming pricing
- c) Psychological pricing
- d) Demand based pricing

**Question 1.22**

With reference to pricing strategies, from the below, perhaps one of the most marketing-oriented way of pricing is:

- a) Mark-up pricing
- b) Competitor-based pricing
- c) Cost-plus pricing
- d) Value based pricing

**Question 1.23**

1. Price is the only element of the marketing mix which generates revenue
2. Price should be set in isolation; it should not be well blended with other marketing mix variables

From the above statements, which one is correct?

- a) Only statement 1 is correct
- b) Both statements are correct
- c) Only statement 2 is correct
- d) Both statements are false

**Question 1.24**

A set of activities - consisting of order processing, materials handling, warehousing, inventory management and transportation - used in the movement of products from producers to consumers, or end users is known as:

- a) Intensive distribution
- b) Physical distribution management
- c) Channel management
- d) Inventory management

**Question 1.25**

Intermediaries who have the legal authority to act on behalf of the manufacturer, although they do not take legal title to the goods are known as:

- a) Brokers
- b) Retailers
- c) Distributors
- d) Wholesalers

**Question 1.26**

Fill in the blank with the appropriate word.

A marketing \_\_\_\_\_ links producers to other middleman or to those who ultimately use the products.

- a) Strategy
- b) Plan
- c) Intermediary
- d) Communications

**Question 1.27**

Communicating the organisation's brand values is undertaken using which element of the marketing mix?

- a) Price
- b) Promotion
- c) Product
- d) Place

**Question 1.28**

With reference to developing an effective communications campaign, there are seven key stages. The first stage of this process is:

- a) Designing the marketing mix elements
- b) Determining the communications objective
- c) Identifying the target audience
- d) Selecting the advertising media

**Question 1.29**

With reference to the communication process model, encoding means:

- a) The interpretation of the message by the receiver
- b) The interpretation of the message by the sender
- c) Relates to putting the message in a form accessible to the receiver
- d) Relates to putting the message in a form accessible to the sender

**Question 1.30**

You are devising the promotion mix for a business-to-business product targeted at business organisations. Which of the following elements of the promotion mix would be most appropriate:

- a) TV advertising, sales promotion and trade fairs
- b) Personal selling, trade fairs and trade magazine advertising
- c) Trade fairs, consumer promotions and TV advertising
- d) Consumer promotions, direct marketing and radio advertising

**Question 1.31**

Channels through which two or more people communicate directly with each other, including face to face, person-to-audience, over the telephone, through the e-mail or through internet chat is an example of:

- a) Advertising
- b) Personal communication channels
- c) Non-personal communication channels
- d) Distribution channels

**Question 1.32**

The logical budgeting method of setting the budget based on what needs to be accomplished defining specific communication objectives is known as:

- a) Competitive-parity method
- b) Personal selling
- c) Objective and task method
- d) Affordable method

### Question 1.33

Fill in the blank with the appropriate word.

A \_\_\_\_\_ represents the broad, long term tasks that the organisation wants to accomplish through the conduct of its business. It provides the organisation a clear purpose and direction, keeping on track and preventing it from drifting.

- a) Marketing strategy
- b) Corporate objectives
- c) Mission statement
- d) Marketing mix

### Question 1.34

The commonest mechanism and a well-accepted audit tool for structuring internal and external audit information to provide a critical analysis is known as:

- a) The SWOT analysis
- b) AIDA model
- c) The BCG matrix
- d) Porter's five forces

### Question 1.35

Company XYZ Ltd, undertakes the following with regard to its performance for the year.

- Market share analysis
- Sales to expense ratio
- Sales analysis
- Financial analysis

Identify the type of marketing control being adopted by company XYZ Ltd.

- a) Annual-plan control
- b) Profitability control
- c) Efficiency control
- d) Strategic control

### Question 1.36

In Marketing planning process, the question "where are we now" refers to:

- a) Situational analysis
- b) Marketing objectives
- c) Action plan
- d) Market analysis

**Question 1.37**

Fill in the blank with the appropriate word.

\_\_\_\_\_ is a marketing technique for making a web page appear more frequently above others in a list of results from a search engine.

- a) Viral marketing
- b) Digital Marketing
- c) Search engine optimization
- d) Permission marketing

**Question 1.38**

Fill in the blank with the appropriate word.

\_\_\_\_\_ is a social networking site designed specifically for the business community.

- a) Myspace
- b) Facebook
- c) LinkedIn
- d) Instagram

**Question 1.39**

A social networking and micro blogging website that enables users to send and read messages limited to 140 characters is known as:

- a) Electronic word of mouth
- b) Intranet
- c) Email
- d) Twitter

**Question 1.40**

Fill in the blank with the appropriate word.

\_\_\_\_\_ is an important concept based on the belief that people should be given the choice of whether to receive further marketing communications or not.

- a) Viral marketing
- b) M-marketing
- c) Permission marketing
- d) Direct marketing

**(Total 40 Marks)**

## PART TWO

Answer all questions in the given space

### Question 02

a) Fill the blanks with emphasis to the relevant orientations.

Concept / Orientation	Emphasis/Aims
Production Orientation	Profitability through .....
Selling Orientation	Profitability through .....

b) List four (04) internal marketing tools.

- .....
- .....
- .....
- .....

(04 Marks)

### Question 03

The organization structure has a very important bearing on the way it would carry out its operations. Traditionally there are four methods in which an organization's structure could be formed.

Briefly explain two (02) methods of your choice:

a) .....

.....  
.....

b) .....

.....  
.....

(04 Marks)

**Question 04**

From the buyer's view point, age of customer relationships, the seven P's might be better described as the seven C's. Identify the relevant C's.

<b>Sellers View (7P's)</b>	<b>Buyer's View (7C's)</b>
Product	
Price	
Place	
Promotion	
People	
Process	
Physical evidence	

**(04 Marks)**

**Question 05**

a) Explain the following terms:

- What is qualitative research?

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.....  
.....

- What is primary data?

.....  
.....  
.....

b) List three (03) advantages of collecting primary data:

- 1) .....
- 2) .....
- 3) .....

**(04 Marks)**

**Question 06**

Identify and explain with examples two positioning variables a company could use to gain a slot in the customer's mind.

a) .....

.....  
.....

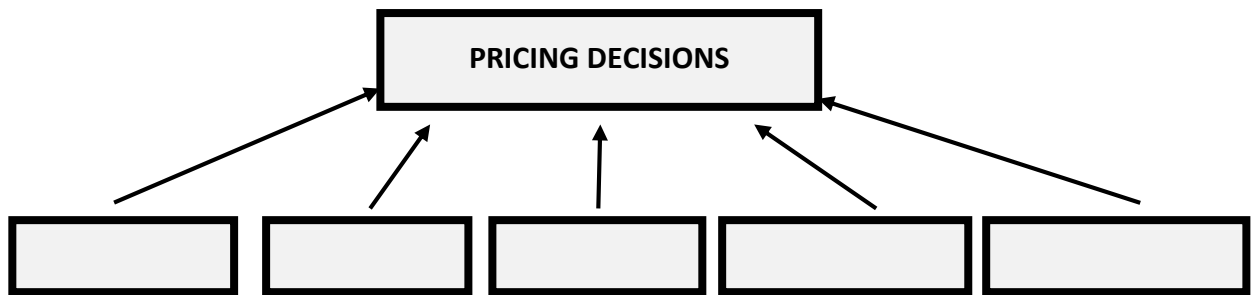
b) .....

.....  
.....

**(04 Marks)**

**Question 07**

a) To ensure that pricing decisions are effective and consistent with the organisation's objectives, marketers should consider the five factors (5 C's of Pricing). Fill the boxes with the five (05) factors:



b) Briefly explain the following terms:

- Cost based pricing

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.....  
.....

- Loss leader pricing

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.....

**(04 Marks)**

**Question 08**

Briefly explain the three (03) market coverage strategies with relevant product examples.

a) .....

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b) .....

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c) .....

.....  
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**(04 Marks)**

**Question 09**

a) What is a marketing audit?

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b) What is an internal and external audit and its purpose in the marketing planning process?

- Internal audit and its purpose:

.....  
.....  
.....  
.....

- External audit and its purpose:

.....  
.....  
.....  
.....

**(04 Marks)**

**Question 10**

a) What is marketing planning?

.....

.....

.....

.....

b) Identify **four (04)** functions of an organisation's objectives.

1. ....
2. ....
3. ....
4. ....

**(04 Marks)**

**Question 11**

Briefly explain the following terms with reference to digital marketing.

a) Digital marketing

.....

.....

.....

.....

b) What is inbound marketing?

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.....

.....

.....

d) Identify four (04) key advantages of using digital marketing.

- 1) .....
- 2) .....
- 3) .....
- 4) .....

**(04 Marks)**

**(10 Questions x 4 Marks)**  
**(Total of 40 Marks)**

## **PART THREE**

**Select 2 out of 4 questions and answer them in supplementary sheets.**

**Attach your answer sheets to the question paper.**

### **Question 12**

Identify and explain the three (03) key components of the marketing concept and list three (03) benefits of implementing this concept in an organisation.

**(10 Marks)**

### **Question 13**

Briefly describe the key stages of the new product development process and list two (02) reasons for introducing new products.

**(10 Marks)**

### **Question 14**

Name and describe the five (05) major communication tools used in a company's communication mix and discuss the importance of the integrated communications mix.

**(10 Marks)**

### **Question 15**

With an aid of a diagram briefly describe the four (04) product/market expansion grid strategies developed by Ansoff, providing examples a company would use when implementing each strategy.

**(10 Marks)**

**(10 Marks x 2 Questions)**

**(Total 20 Marks)**

**(Total of 100 Marks)**

**-END-**