



The Co-operative University of Kenya

END OF SEMESTER EXAMINATION DECEMBER -2018

**EXAMINATION FOR THE DEGREE OF BACHELOR OF CO-OPERATIVE
BUSINESS / BACHELOR OF COMMERCE
(YR I SEM II)**

UNIT CODE: HBC 2402

UNIT TITLE: MARKETING COMMUNICATION STRATEGY

DATE: 17TH DECEMBER, 2018

TIME: 9:00 AM – 11:00 AM

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

CASE STUDY

THE NAIROBI EYE

The Nairobi Eye part Kenya Airways (KQ) wanted to attract new visitors. Its annual marketing budget for 1.5 million was used to increase passage number via focused advertising and other promotional activities.

Nairobians were encouraged to take additional flights with the sale of joint tickets offering a trip together with a champagne meal at a nearby restaurant. Overseas visitors were targeted with an online campaign combined with advertisements at key entry points to Kenya Students were offered joint tickets with Kenya Tourists Board for the Turner Prize exhibition. This was promoted through student centres and student union mailings. Other initiatives included a 45 minutes Tana River cruise, the production of guidebooks, the introduction of trained capsule hosts and the re-lunch of their website.

The overseas campaign led to a 5% increase in passenger numbers. Within three months 7,800 Nairobians had taken up the 'flight and meal' deal, and there were 300 redemptions of the student tickets. Overall, KQ saw an 8% growth in visitor numbers to more than 4 million, and an increase in gross profit of 23%.

While activity on this scale would be beyond the remit of most SMEs, this example does illustrate the benefit of using a selection of different techniques to achieve a specific and clearly defined result.

- (a) Identify the target respondents and discuss the importance of targeting them. (10 Marks)
- (b) Explain why it was important for Kenya Airways to differentiate its communication strategy. (10 Marks)
- (c) Critically discuss the Pull Strategy used by Kenya Airways in their marketing. (10 Marks)

QUESTION TWO

- (a) Discuss the two major types of communications channels. (10 Marks)
- (b) Identify the consumer-decision process and Explain why the understanding of this process is important when designing an effective marketing communication. (10 Marks)

QUESTION THREE

- (a) Using AIDA Model examine the Steps in developing effective communication? (10 Marks)
- (b) Discuss any TWO of the following promotional mix elements. (10 Marks)
- (i) Sales promotion
 - (ii) Personal selling
 - (iii) Direct Marketing
 - (iv) Advertising

QUESTION FOUR

- (a) One of the most difficult marketing decisions is how much to spend on promotion. Give an account of how companies decide on the promotion budget. (10 Marks)
- (b) Discuss the principles of effective marketing communications. (10 Marks)

QUESTION FIVE

- (a) Define the term "Marketing Communication Mix and briefly describe its FIVE major components. (10 Marks)
- (b) Give the advantages and disadvantages of personal selling as a Marketing Communication tool. (10 Marks)