

ENGINEERING TRIPOS PART IIA

Friday 30 April 2004 2.30-4.00

Module 3E2

MARKETING

Answer not more than two questions.

All questions carry the same number of marks.

*The **approximate** percentage of marks allocated to each part of a question is indicated in the right margin.*

There are no attachments.

You may not start to read the questions printed on the subsequent pages of this question paper until instructed that you may do so by the Invigilator

(TURN OVER

1 (a) Discuss how 'channel structure' can help to build and maintain a product's positioning. [50%]

(b) Examine how this might change as product life cycles progress from introduction to maturity. [50%]

2 (a) Define the strategies of 'skimming', 'penetration', and 'stability' pricing. [30%]

(b) Explain how consumer behaviour, competitive response, company objectives, and the product life cycle will affect a firm's choice between these strategies. [70%]

3 (a) Businesses are increasingly looking toward loyalty programmes as a means of growing and retaining market share. Drawing on your knowledge of relationship marketing theory, explain why this is occurring. [50%]

(b) Discuss critically the use of loyalty programmes as a component of a marketing programme. [50%]

4 (a) Discuss how market segmentation can be used by marketers to achieve competitive advantage. [40%]

(b) Explain how product planning considerations and the product life cycle might influence a firm's approach to market segmentation. [60%]

END OF PAPER