

**INSTITUTE OF BANKERS IN MALAWI**

**ADVANCE DIPLOMA IN BANKING EXAMINATION**

**SUBJECT: MARKETING STRATEGY (IOBM – AD306)**

**Date: Friday, 16th November 2018**

**Time Allocated: 3 hours (13:30 – 16:30 Hours)**

**INSTRUCTIONS TO CANDIDATES**

1 This paper consists of **TWO** Sections, A and B.

2 Section A consists of 4 questions, each question carries 15 marks.

Answer **ALL** questions.

3 Section B consists of 4 questions, each question carries 20 marks. Answer **ANY TWO** questions.

4 You will be allowed **10 minutes** to go through the paper before the start of the examination, you may write on this paper but not in the answer book.

5 Begin each answer on a new page.

6 **Please write your examination number on each answer book used. Answer books without examination numbers will not be marked.**

7 All persons writing examinations without payment will risk expulsion from the Institute.

8 If you are caught cheating, you will be automatically disqualified in all subjects seated this semester.

9 DO NOT open this question paper until instructed to do so.

**SECTION A (60 MARKS)**

Answer **ALL** questions from this section

**QUESTION 1**

Many businesses pass through a number of business orientations before they fully adopt the marketing orientation/concept. Briefly describe the following orientations that businesses pass through:

a) Production orientation *(5 marks)*

b) Sales orientation *(5marks)*

c) Marketing orientation *(5marks)*

**(Total 15 marks)**

**QUESTION 2**

a) Briefly explain what a balanced portfolio means? *(7marks)*

b) Discuss the challenges/problems associated with the use of the Boston Consulting Group (BCG) matrix approach. *(8 marks)*

**(Total 15 marks)**

**QUESTION 3**

People tend to follow a series of five distinct steps which form the decision-making process when making products or services purchase decisions.

**Required**

Briefly explain what is involved at each of these **five** steps.

**(Total 15 marks)**

**QUESTION 4**

Diversification is a strategy that a bank can employ in order to spread risk.

**Required**

As the Marketing Director of one of the leading banks in Malawi, **explain** to your Board of Directors the different types of diversification strategies and their implications to the bank.

**(Total 15 marks)**

**SECTION B (40 MARKS)**

Answer ANY **TWO** questions from this section

**QUESTION 5**

1. Briefly explain **two** methods/approaches of dealing with political risk when investing in a foreign market. *(8 marks)*
2. Steward Bank of Malawi is planning to invest in Mozambique. There are at least three types of exchange rate risks to which it is going to be exposed.

**Required**

As the Marketing Director of Steward Bank, make an analysis of three of these risks. *(12 marks)*

**(Total 20 marks)**

**QUESTION 6**

The task/micro environment contains forces that have the most and immediate direct effect on bank managers because they pressurise and influence those managers on a daily basis on their ability to obtain and dispose of outputs, and therefore have significant impact on short term decision making.

**Required**

Discuss any **four** of these forces.

**(Total 20 marks)**

**QUESTION 7**

The value chain describes the categories of activities within and around a bank that together create a product or service.

**Required**

Explain **five** primary activities and **four** support activities represented on the value chain.

**(Total 20 marks)**

**QUESTION 8**

Discuss any **five** positioning strategies that Jewel Bank of Malawi can use to position itself on the market. **(Total 20 marks)**

**END OF EXAMINATION PAPER**