

04 JUN 2010  
COM-2008/2009

**EASTERN UNIVERSITY, SRI LANKA**  
**FACULTY OF COMMERCE & MANAGEMENT**  
**SECOND YEAR FIRST SEMESTER EXAMINATION IN BBA / B.COM**  
**(APRIL/ MAY 2010)**  
**(PROPER/ REPEAT)**

**MKT 2013, 2114-MARKETING MANANGEMENT**

**Answer all questions**

**Time: Three Hours**

**Q1.**

**Read the case and answer the questions below**

**Honeywell, Inc. Optoelectronics Division**

After several years of developing fiber-optic technology for Department of Defense projects, executives in the Optoelectronics Division of Honeywell, Inc. decided to pursue commercial applications for their products and technology. The task would not be easy because fiber optics was a new technology that many firms would find unfamiliar. Fiber optics is the technology of transmitting light through long, thin, flexible fibers of glass, plastic, or other transparent materials. When it is used in a commercial application, a light source emits infrared light flashes corresponding data. Millions of light flashes per second send streams through a transparent fiber. A light sensor at the other end of fiber "reads" the data transmitted. It is estimated that sales of fiber optic technology could exceed \$3 billion in 1995. Almost half the dollar sales volume would come from telecommunications, about 25% from government or military purchases, and about 25% from commercial applications in computers, robotics, cable TV, and other products.

Interest in adapting fiber-optic technology and products for commercial applications had prompted Honeywell executives to carefully review buying behavior associated with the adoption of a new technology. The buying process appeared to contain at least six phases: (1) need recognition, (2) identification of available products, (3) comparison with existing technology, (4) vendor or seller evaluation, (5) the decision itself, and (6) follow-up on technology performance. Moreover, there appeared to be several people within the buying organization who would play a role in the adoption of a new technology. For example, top management (such as the president and the executive vice presidents) would certainly be involved. Engineering and operations management (e.g., vice president of engineering and manufacturing) and design engineers (e.g., persons who develop specifications for new products) would also play a major role. Purchasing personnel would have a say in such a decision and particularly in the vendor evaluation process. The role played by each person in the buying organization was still unclear to Honeywell. It seemed that engineering management

personnel could slow the adoption of fiber optics if they did not feel it was appropriate for products made by the company. Design engineers, who would actually apply fiber optics product design, might be favorably or unfavorably disposed to the technology depending whether they knew how to use it. Top management personnel would participate in any firm decisions to use fiber optics and could generate interest in the technology if stimulated to do so.

This review of buying behavior led to questions about how to penetrate a company's buying organization and have fiber optics used in the company's products. Although Honeywell was a large, well-known company with annual sales exceeding \$5 billion, its fiber-optic technology capability was much less familiar. Therefore the executives thought it was necessary to establish Honeywell's credibility in fiber optics. This was, in part, through an advertising image campaign that featured Honeywell Optoelectronics as a leader in fiber optics.

**Requested :**

- a) Explain the type of buying situation which involved in the purchase of fiber optics highlight important buying criteria which are used by companies in their products?  
(12 Marks)
- b) Describe the purchase decision process for adopting fiber optics, and state how members of the buying center for this technology might play a part in this process.  
(09 Marks)
- c) What role does the image advertising campaign play in Honeywell Optoelectronics' effort to market fiber optics?  
(07 Marks)

**(Total 28 Marks)**

Q2. a) Explain the differences between Marketing and Marketing Management.  
(05 Marks)

b) "There are five alternative concepts under which organizations conduct their Marketing activities". Describe these Marketing concepts with suitable examples.  
(07 Marks)

c) "One of the major concepts in modern marketing is Marketing mix". Explain the various products attributes which a textile marketer can consider in a strong competitive market situation.  
(06 Marks)

**(Total 18 Marks)**

Q3. a) Explain the demographic segmentation variables which a cosmetic marketer can consider before select a particular market segment.

(06 Marks)

b) Describe the three alternative Market- Coverage Strategies with appropriate examples.

(05 Marks)

c) "The strategic plan involves adapting the firm to take advantage of opportunities in its constantly changing environment". Elaborate the different steps of strategic planning.

(07 Marks)

**(Total 18 Marks)**

Q4. a) "A company has four choices when it comes to brand strategy". Briefly explain the different brand strategies.

(05 Marks)

b) 'Marketing of services is very difficult task than marketing of products'. Explain how a medical consultant solves these problems.

(08 Marks)

c) Discuss how the economic, political- legal and cultural environments affect a company's international marketing decision.

(05 Marks)

**(Total 18 Marks)**

Q5. a) Briefly describe the five major market promotion tools.

(06 Marks)

b) Identify the major factors influencing consumer behavior.

(05 Marks)

c) "In addition to information about competitor and environmental happenings, marketers often need formal studies of specific situations" Elaborate the marketing research process.

(07 Marks)

**(Total 18 Marks)**