

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE

BCOM 425: MARKETING OF SERVICES AND NON PROFIT ENTITIES

STREAMS: BCOM Y4S2

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 08/04/2020

8.30 A.M. – 10.30 A.M.

INSTRUCTIONS:

- **Section A question one (1) - is compulsory.**
- **Section B - Answer any other two questions.**

QUESTION ONE (1) – IS COMPULSORY (30 MARKS)

BANK VISA CARD PAYMENTS RISE BY 32 PERCENT

The use of cards for payments defied the mobile onslaught to grow by 32 percent last year compared to 2018, new data shows.

Central Bank of Kenya (CBK) data shows the value of card transactions in 11 months of 2019 through prepaid cards, charge cards, credit and debit cards and through Point of Sale (POS) machines stood at Sh. 641.13 billion.

CBK did not capture the transactions made in May.

Even so, the payments at retail locations represented a 32 percent growth from Sh.484.81 billion recorded in 12 months to December 2018.

The number of transaction in the period under review stood at 78.7 million while 100.53 deals were made in 2018.

Visa country manager tied this to increased use of Visa bank cards in the e-commerce space and spreading to the face-to-face transactions in grocery stores, fuel stations and retail sectors due to convenience.

“The use of cards is focused to see displacement of cash while making payments safe. Visa also ran campaigns during the year,”

However, online shopping has become more prone to fraud with concerns of security of cards headlined by cyber security attacks last year.

This led to the introduction of Visa Consumer Authentication Service that Visa said authenticates users and serves as security for risky transactions.

REQUIRED

- (a) Explain how VISA has developed its competitiveness in the market. (10 marks)
- (b) Describe the different ways by which VISA can develop and maintain customer relationships. (10 marks)
- (c) What is the most critical service marketing parameter for VISA, when it tries to penetrate the consumer market? (10 marks)

SECTION B – ANSWER ANY OTHER TWO QUESTIONS

QUESTION TWO

- 2. (a) As a consultant in Tharaka Nithi County, discuss how you will market existing Non Profit Entities. (10 marks)
- (b) Discuss the concept of service variability in Kenyan Economy. (10 marks)

QUESTION THREE

- (a) Discuss the concept of flexibility in production in making services available to consumers. (10 marks)
- (b) As a service marketing consultant, prepare a presentation entitled ‘classification of service encounter types.’ (10 marks)

QUESTION FOUR

- (a) Explain the concept of service quality to Kenya airways management. (10 marks)
 - (b) Discuss Parasuraman responsiveness concept in service marketing within the hospitality industry. (10 marks)
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