



THE COOPERATIVE UNIVERSITY OF KENYA

BENT 2110: ENTREPRENEURIAL MARKETING

MAY 2022

TIME: 2 HOURS

INSTRUCTIONS: Answer the COMPULSORY question in section A, and any other TWO Questions in section B.

SECTION A: Compulsory

QUESTION 1

CASE STUDY

THE DELICACY RESTAURANT

The delicacy restaurant opened its door with bhang, extensive publicity and a celebrity launch party two years ago. For the first few months it was the place to eat, even though there were mutterings about slow service and rude waiters. It is a popular hotel with most people who like the unexpansive set lunch menu. Its reasonable prices and serene environment also attract the young for celebrations such as birthdays and leaving parties. The bouncers look formidable, but they've never been known to refuse anymore entrance unreasonably. The hotel is usually full so dinners wait in the bar, which is loud and crowded.

The biggest complaint is that food does not come to the table fast enough; customers have to wait for close to thirty minutes before they served something that is very upsetting to the customers. Home delivery customers have to order at least two hours before they want the food.

Delicacy restaurant is a place where people like to celebrate their birthdays and so the staff has the birthday routine. They dance through the restaurant carrying sparklers and then, when they reach the birthday boy/girl is presented with a cup cake with an everlasting candle and a small bag of inexpensive merchandise.

Further entertainment comes from the delicacy hotel moment. Each day the manager chooses three dishes to be the special commendations of the day. When the 20th order for that dish is delivered to a table, there is a fan fair and light flash. The lucky diner gets the featured dish on the house and a complementary cocktail of their choice.

One of the biggest challenges for the management is keeping the place clean. It's a busy hotel and lots of children eat there leaving lots of spills all over and it can be hard to get them cleaned up while people are eating. The toilets are checked every hour but they still sometimes run out of

tissue and soap. The floor seems always in need of clean .The waiters have trouble fighting their way to collect glasses and wipe down table tops. Frequently the hotel runs out of clean glasses altogether.

Delicacy restaurant has had some bad reviews recently. Critics say the food is unimaginative and of low quality, it is served while cold, the restaurant is very loud and very dirty, the service is very slow and the waiters often show no interest in getting the orders, bringing the bill, collecting used cutlery and sometimes the bill is wrong.

Required

- a) Discuss the areas Delicacy restaurant is doing well [5Marks]
- c) With reasons identify and discuss the marketing concepts applied by Delicacy restaurant [5Marks]
- d) Identify and explain any 5 most important Ps of marketing in entrepreneurship that have been applied in the case study [5Marks]
- d) Recommend three improvements the restaurant could make aimed at satisfying customers. Explain and justify your recommendations [5Marks]
- e) Discuss the process of Segmentation, Targeting and Positioning (STP) and why the cycle is important in entrepreneurial marketing. [10Marks]

SECTION B ANSWER ANY TWO QUESTIONS

QUESTION 2

- a) Explain the objectives of marketing communication [5 Marks]
- b) Discuss the bases of market segmentation and its importance to an entrepreneur [5Marks]
- c). Explain the process of new product development clearly articulating the importance of each step [10 Marks]

QUESTION 3

- a) Discuss any five **factors** that influence consumer buying behaviour in small enterprises [5Marks]
- b) Discuss internal marketing environment and explain its influence on enterprise marketing forces [5marks]
- c) Service Marketing Mix is the right combination of activities to ensure customer satisfaction and consequently small business success. Discuss [10marks]

QUESTION 4

- a) Describe the PLC concept citing examples of products and the marketing mix strategy applicable at each stage [5Marks]
- b) Explain the meaning of positioning and the factors to consider when choosing a positioning strategy [5Marks]
- c) The small business owner must have one eye on routine operational tasks and one eye scanning the horizon for new opportunities. Explain any five marketing tools an entrepreneur can use and give reasons for your choice. [10 marks]

QUESTION 5

- a) Explain the meaning of the term marketing research and discuss its importance in marketing for small business. [5Marks]
- b) Discuss External marketing environment and explain its influence on enterprise marketing forces [5Marks]
- c) Explain the Functions of Marketing Information System and their importance to an entrepreneur [10Marks]