



ZIMBABWE

MINISTRY OF HIGHER AND TERTIARY EDUCATION

**HIGHER EDUCATION EXAMINATIONS COUNCIL
(HEXCO)**

NATIONAL DIPLOMA

IN

BANKING AND FINANCE

**SUBJECT: Marketing of Financial
Services**

PAPER NO: 524/S06

NOVEMBER/DECEMBER 2010 EXAMINATION

REQUIREMENTS

INSTRUCTIONS TO CANDIDATE

Answer any four (4) questions.

This paper consists of 3 printed pages.

MS/2010

QUESTION 1

- a) Many banks treat marketing as a separate function. Evaluate the importance of functional organisation in a large bank organisation. (10marks)
- b) Explain social responsibility as applied in marketing of financial services. (5 marks)
- c) Explain relationship marketing in banking (5 marks)
- d) Explain the role of public relations in marketing banking services and products. (5 marks)

QUESTION 2

- a) Explain the AIDA model. Why is it inadequate for decision making? (5 marks)
- b) Explain the standard diffusion model, with the help of a diagram. (10 marks)
- c) Explain "information explosion" and its implications on consumer behaviour. (10 marks)

QUESTION 3

- a) For each of the following unique service features explain the resulting marketing problem and marketing strategies that a bank may adopt to solve them:
 - (i) Intangibility (5 marks)
 - (ii) Inseparability (5 marks)
 - (iii) Heterogeneity (5 marks)
 - (iv) Perishability (5 marks)
- b) Explain the Ansoff matrix and how can it be applied in the formation of a bank's marketing strategy. (5 marks)

QUESTION 4

- a) Identify and explain two banks in Zimbabwe that have rebranded in the past five years, explain benefits of the rebranding process. (10 marks)
- b) To what extent is employee empowerment (decentralisation of decision- making) important in banking? (5 marks)

QUESTION 5

- a) Explain pricing discrimination in provision of banking services. (5 marks)
- b) Identify and explain three constraints which have been affecting the marketing of financial services in Zimbabwe in the past ten years. (15 marks)

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