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(University of Choice)

**MASINDE MULIRO UNIVERSITY OF  
SCIENCE AND TECHNOLOGY  
(MMUST)**

**MAIN CAMPUS**

**UNIVERSITY EXAMINATIONS**

**2021/2022 ACADEMIC YEAR**

**SECOND YEAR SECOND SEMESTER**

**SPECIAL/SUPLIMENTERY EXAMINATIONS FOR THE  
DIPLOMA**

**IN**

**MECHANICAL AND INDUSTRIAL ENGINEERING**

**COURSE CODE: DME 065**

**1. COURSE TITLE: PRINCIPLE OF ECONOMICS AND MARKETING**

**DATE: 29-7-2022 TIME: 8:00-10:00**

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**INSTRUCTIONS TO CANDIDATES**

Answer Question ONE and any other TWO questions

**TIME: 2 Hours**

MMUST observes ZERO tolerance to examination cheating

**QUESTION ONE: COMPULSORY**

- i. Discuss the components in a marketing mix. (8 marks)
- ii. Explain the term service . (2 marks)
- iii. Discuss the distinctive characteristics of service marketing. (10 marks)
- iv. Briefly explain ways of restricting international trade. (10mks)

**QUESTION 2 (20 MARKS)**

- (a) using suitable graphs, distinguish between movement along and shift of demand curve. (6mks)
- (b) Explain two circumstances under which the supply curve may be reversed. (4mks)
- (c) State and elucidate any five ways in which central bank in your country can regulate amount of money in supply. (10mks)

**QUESTION THREE**

- i. Enumerate the steps in market research process. (5 marks)
- ii. Explain the criteria considered in segmentation of market. ( 15 marks)

**QUESTION 4 (20 MARKS)**

Discuss the internal economies of scale a firm may benefit from as a result of growth.

(20mks)