

DIPLOMA IN INSURANCE

Unit Name: Marketing

Unit Code: DIP 206

SAMPLE QUESTIONS

1. You are a marketing manager of an Insurance company that deals with low-cost general insurance products sold directly to personal customers. The marketing director has asked you to develop an advertising plan for a new product launched into the market to improve its sales. However, the director is aware that the new product may face challenges in its growth and that he hopes that the promotional activities planned may address them.
 - a. Develop the product advertising program for the insurance company – 8
 - b. Giving examples, explain how the program will improve the product sales – 7
 - c. Justify why the company uses direct product sales method – 6
 - d. With examples, explain how the advertising plan will address the challenges that the new product may face in the market – 7
 - e. Explain how the promotional plan developed may give the company a competitive advantage – 7

2. **Maalum Insurance which is headquartered in Kenya established operations in The Democratic Republic of Congo DRC**, five years ago. The products that the branch deals in are fit for the local market. However, the marketing services of the branch have been coordinated from the Kenyan office to date. The Board of Directors wants to maintain this arrangement owing to the low cost of operations. As the marketing manager you are of different opinion since you believe that the prospects of business growth is higher when the marketing services are served by the locally based office. **The marketing director has asked you to prepare a report to be presented to the Board for deliberation.**
 - a. Give a detailed justification as to why the Board should agree to your opinion
 - b. Prepare a plan of implementation if the board accedes to your advice
 - c. Apart from the cost of operations, which other factors do you think may be influencing the Board of Maalum Insurance to want to maintain the status quo?

3. The management of Dontez Insurance Company has noticed that the sales of one of its products has been declining steadily in the recent past. The managing director has instructed the marketing manager to carry out a consumer survey to establish the cause of the low sales. After the survey, the marketing manager advised the Board of Directors that a new product should be developed and the new channels of distribution appointed.
 - a. Suggest the reasons that may have led to the decline in the product sales
 - b. With examples, suggest five challenges that the manager may have faced when carrying out the survey
 - c. Suggest with examples the benefits that may accrue to the company from developing the new product
 - d. Explain with examples the factors the manager may consider when appointing new distributors.

- e. With examples, suggest the strategies that the manager may adapt to extend the life cycle of the old product.
4. You are the Marketing Manager of Mamboleo Insurance Brokers (MIB) who are about to launch a new product into a market. The product has been developed by MIB through a collaborative arrangement with an insurance company. The Board of MIB is concerned that the sales target projections may not be achieved for this new product, as market reaction may include the launch of a similar or better product. Achieving sales target projections is a key requirement for continuation of the collaborative arrangement with the insurance company.
- a. Provide a report to the Board explaining how the product sales will grow over time for the new product
 - b. Explain the actions that should be taken to meet the sales target projections should competitors launch a similar product
 - c. Other than the reaction of the market, suggest to the Board which other factors that may affect the sales projections.