



ZIMBABWE EZEKIEL GUTI UNIVERSITY

**FACULTY OF LAW, BUSINESS INTELLIGENCE AND
ECONOMICS**

**DEPARTMENT OF ECONOMICS, MARKETING, AND ENTREPRENEURSHIP
EXAMINATION PAPER**

COURSE CODE : MSTM524
COURSE TITLE : Strategic Marketing Finance
SPECIAL REQUIREMENTS : None
DURATION : 3 Hours
LEVEL : 1.2
DATE : 29 JUL 2024

INSTRUCTIONS TO CANDIDATES:

7. No cell phones are allowed in the examination venue
8. Use of silent, non-programmable calculators is allowed
9. Answer ALL questions in Section A and any three (3) questions in Section B.
10. The number of marks for each question or part question is shown in brackets []
11. Begin each answer on a new page.
12. **DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR INSTRUCTS YOU.**

SECTION A

QUESTION ONE

Create a comprehensive marketing budget for a hypothetical company launching a new product, taking into account the overall marketing strategy, channel selection, cost estimates, and anticipated ROI for each channel. Explain your budgeting decisions and demonstrate how they align with the overall marketing objectives. **[40 Marks]**

SECTION B

1. Define cost-based pricing and explain its key advantages and disadvantages. **[20 Marks]**
2. Differentiate between different cost types (fixed, variable, total) and discuss their relevance in cost-based pricing. **[20 Marks]**
3. Explain the concept of "mark-up pricing" and its limitations in today's competitive market. **[20 Marks]**
4. Discuss the challenges associated with accurately forecasting costs, revenues, and cash flows for new products. **[20 Marks]**
5. Compare and contrast NPV with other investment appraisal techniques, such as payback period. **[20 Marks]**

END OF PAPER