



NATIONAL OPEN UNIVERSITY OF NIGERIA
91, CADASTRAL ZONE, UNIVERSITY VILLAGE, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES

2020_2 EXAMINATION

COURSE CODE: ENT 303

CREDIT UNIT: 3

COURSE TITLE: SMALL SCALE BUSINESS MANAGEMENT

INSTRUCTION:

TIME ALLOWED: 3 HOURS

- 1. Indicate your Matriculation Number clearly**
- 2. Attempt question one (1) and any other two (2) questions. 3 questions in all**
- 3. Question one (1) is compulsory and carries 30marks, while the other questions carry 20marks each.**
- 4. Present all your points in coherent and orderly Manner**

1. Pricing decisions are usually determined by cost, demand and competition. Discuss the following as it is determined by cost:

i. Demand **(15 marks)**

ii. Competition **(15 marks)**

Total: 30 marks

2.(a) A firm sells 100,000 units per year at a factory price of N12 per unit. The various costs are given below:

Variable	Costs Materials	N260,000
	Labour	N520,00
Fixed	Costs Overhead	N130,000
	Selling & Administrative charges	N190,000
Total investment in cash, inventory and equipment		N900, 000

The labour and materials cost increase by 10 per cent. How do you revise price according to:

- i. Percentage over Costs **(5 marks)**
 - ii. Percentage on Sales **(5 marks)**
 - iii. Percentage on Capital employed **(5 marks)**
- (b) Explain the two popular types of discounts **(5 marks)** **Total: 20 marks**

3. With the aid of a diagram, explain the product levels. **(20 marks)** **Total: 20 marks**

4.(a) Differentiate the following with the aid of examples:

- i. Convenience goods **(5 marks)**
- ii. Specialty goods **(5 marks)**
- iii. Shopping good **(5 marks)**
- iv. (b) What are the marketing strategies for Consumer and Industrial Products? **(5 marks)** **Total: 20 marks**

5. Explain the two types of marketing channels in tabular form. **(20 marks)** **Total: 20 marks**