



MACHAKOS UNIVERSITY

University Examinations 2019/2020 Academic Year

SCHOOL OF HOSPITALITY AND TOURISM MANAGEMENT

DEPARTMENT OF HOSPITALITY MANAGEMENT

THIRD YEAR SECOND SEMESTER EXAMINATION FOR

BACHELOR OF SCIENCE (HOSPITALITY AND TOURISM

MANAGEMENT)

SHT 408: PRODUCT DEVELOPMENT IN HOSPITALITY AND TOURISM

DATE: 19/10/2020

TIME: 8:30 – 10:30 AM

INSTRUCTIONS

Answer Question One and Any Other Two Questions

QUESTION ONE (COMPULSORY) (30 MARKS)

- a) Every product goes through a number of stages before being introduced in to the market. One such step is test marketing a prototype used for research and feedback. Analyze the pros and cons of this step (10 marks)
- b) Using the Ansoff growth matrix propose and justify the appropriate strategy for each of the following scenarios and in each case identify local businesses that have adopted the proposed strategy. (8 marks)
 - i) Existing product in existing Market
 - ii) New product new market
 - iii) Existing product new market
 - iv) New product new market
- c) Assuming that you are a product manager of a company ABC ltd tasked with the responsibility of developing a new product.
 - i) Identify the product you would wish to develop for the company and justify the reason for the selection. (4 marks)
 - ii) Analyse the type of competitive advantage you would wish to use in order to have an edge over your competitors? (8 marks)

QUESTION TWO (20 MARKS)

- a) The beach product has in the recent past been termed as a “tired” product. Discuss five possible strategies that can be adopted to revive the lost glory of this product. (10 marks)
- b) Market research is always important while developing a product. Discuss the importance of carrying out market research in tourism product development. (10 marks)

QUESTION THREE (20 MARKS)

Assuming you work for a tourism or a hospitality establishment as the product development manager and have been tasked with the responsibility of coming up with a new product for the company. Discuss the different stages in the product life cycle that the product will go through and the strategies that the establishments should use in each stage in order to make sure their product remains competitive.

QUESTION FOUR (20 MARKS)

Demand and supply is a model of price determination in a market. Using that statement analyse the various factors influencing the demand and supply of tourism products in Kenya.

QUESTION FIVE (20 MARKS)

- a) Every product goes through a number of stages before being introduced in to the market. One such step is test marketing a prototype used for research and feedback. Analyse the pros and cons of this step. (12 marks)
- b) SWOT analysis is a technique for assessing the Strengths, Weaknesses, Opportunities, and Threats of any business. Describe the weaknesses of destination Kenya. (8 marks)