

Remembering-based Questions

[1 mark]

Q.1. As per modern view what is market?

Ans. According to the modern view, market refers to the real and the group of potential buyers of products and services.

Q.2. What is meant by customer?

Ans. A customer means people or organisations who want to fulfill their needs.

Q.3. What is meant by marketer?

Ans. A marketer means a person or an organisation who provides goods or services to satisfy the needs of the customers.

Q.4. What is meant by Product?

Ans. Anything that can be of value to the buyer can be termed as a product.

Q.5. What is Product Mix?

Ans. It refers to the combination of all decisions relating to the product.

Q.6. What do you mean by Branding?

Ans. It refers to that process through which a special identification of product is established.

Q.7. What do you mean by Brand?

Ans. It refers to a special word, symbol, letter or the mixture of all these.

Q.8. What is Brand Name?

Ans. It refers to that part of Brand which can be spoken, e.g., Uncle Chips.

Q.9. What is Brand Mark?

Ans. It refers to that part of Brand which cannot be spoken but can be recognised easily, e.g., Devil of Onida.

Q.10. What is Trade Mark?

Ans. When a Brand is registered under the Trade Marks Act, 1999 then it becomes the Trade Mark.

Q.11. What is meant by Packaging?

Ans. It refers to the combination of those activities which are related with the designing and production of the containers in which the products are packed.

Q.12. What is Labelling?

Ans. It refers to the process of preparing label.

Q.13. What is meant by Price Mix?

Ans. It refers to the combination of all those decisions which are concerned with the price fixation of any product or service.

Q.14. What is meant by 'Promotion Mix'?

Ans. It refers to a combination of promotional tools used by the business to inform and persuade the customers about the products.

Q.15. What is meant by Place Mix?

Ans. It refers to the combination of all decisions relating to make products available to consumers.

Q.16. Define Advertising.

Ans. According to **C.L. Bolling**, "advertising can be described as the art of creating a demand for article or a service."

Q.17. Define 'Personal Selling'

Ans. According to **Richard Buskrik**, "Personal selling consists of contacting prospective buyers of product personally."

Q.18. Enumerate any two qualities of a good Salesman.

Ans.

- i. Physical Attributes
- ii. Social Attributes

Q.19. What is meant by 'Sales Promotion'?

Ans. It refers to short-term incentives, which are designed to encourage the buyers to make immediate purchase of a product or service.

[3 marks]

Q.1. Explain the following two functions of Marketing: *[CBSE Sample Paper 2013]*

Q. Product Designing and Development

Ans. Product Designing and Development: Product designing plays an important role in product selling. The company whose product is better and attractively designed sales will be more than the product of a company whose design happens to be weak and unattractive. In this way, it can be said that the possession of a special design affords a company competitive advantage. It is important to remember that it is not sufficient to prepare a design in respect of a product, but it is more important to develop it continuously.

Q. Marketing Planning

Ans. Marketing Planning: In order to achieve the objectives of an organisation with regard to its marketing, the marketer chalks out his marketing plan. For example, a company has a 25% market share of particular product. The company wants to raise it to 40%. In order to achieve this objective the marketer shall have to prepare a plan in respect of the level of production and promotion efforts. It will also be decided that who will do what when and how. To do this is known as marketing planning.

Q.2. What is meant by Marketing Mix?

Ans. It refers to the aggregate of decisions taken with a view to successfully completing different marketing activities. These decisions are mainly in respect of four variables, viz., product, price, promotion and place. These variables are called elements of marketing mix.

Q.3. State any three features of a good brand name. *[CBSE Sample Paper 2013]*

Ans. A good brand name should contain the following characteristics:

- i. **Simple and Short:** A brand name should be simple and short so that there is no complication or oddity related to its name. For example, the brand names like LUX, BATA, BINACA and DALDA have these qualities.
- ii. **Easily Pronounceable:** A brand name should be easily pronounceable. For example, TATA, BATA, FIFTY-FIFTY etc.
- iii. **Suggestive:** Brand name should be self-explanatory thereby suggesting the inherent quality of the product. For example, HAJMOLA indicates the curing of indigestive system and the product like UJALA suggests more whiteness and brightness.

Q.4. Explain the various levels of packaging.

Ans. Levels of Packaging: There are three levels of packaging as given below:

- i. **Primary Packaging:** It refers to that container which is very close to the product. In some cases, it is kept throughout the entire life of the product, such as shaving cream tube, match box, etc. In other cases, it is kept till the consumer is ready to use the product, such as, plastic cover of Britannia Cake.

- ii. **Secondary Packaging:** It refers to that container which is used for extra care of the product till the product is come into use, such as, card board box of shaving cream tube. When a consumer starts using the cream, he will dispose off the box but retain the primary packaging (e.g., plastic tube).
- iii. **Transportation Packaging:** It refers to that packaging which is necessary to use for transportation, identification and storage. For example, a big card board box which is containing say 100 units of shaving cream tubes.

Q.5. State any three features of 'Sales Promotion'.

Ans. Following are the main features of sales promotion:

- i. Sales promotion does not include advertising, personal selling and publicity.
- ii. Sales promotion activities are undertaken on special occasions. These are not routine activities.
- iii. Sales promotion helps in rendering advertising and personal selling more effective.

Q.6. Write any three features of public relations.

Ans.

- i. **Securing Cooperation of Public:** Public relation is an activity to get support from public. Every organisation wants to run successfully. For this public (i.e., all related protagonists like—consumers, employees, shareholders and society) support is essential or needed. And the support of public can be earned through Public Relations.
- ii. **Successful relation with Public:** Sometimes Public develops negative attitude towards any company. This attitude could be changed by establishing public relations which helps in developing better relations with public.
- iii. **Satisfying different Groups:** Public relation is an effort to satisfy different groups (like— consumers, employees, shareholders and society). For example, with the help of Public relation, the expectation of any particular group is acknowledged. The group is tried to satisfy by most possibly meeting their expectations.

[4 marks]

Q.1. Explain four important elements of marketing mix.

Ans. All four elements of marketing mix are described as under:

- i. **Product Mix:** It refers to the combination of all decisions relating to product. These decisions are mainly with regard to dimensions of the product (Product line, Product Width, Line Length, Product Depth and Product consistency), its branding, packaging, labelling, colour, design, quality, size, after sale service, its

weight etc. These decisions play an important role in attracting the customers to the product.

- ii. **Price Mix:** It refers to all those decisions which are concerned with the price fixation of any product or service. Determination of fair price of the product is a very important but difficult function of marketing manager. Fair price is that price which is acceptable both to the customers as well as producers. Price is one of the major factors which contribute a lot to finalise the deal between buyer and seller. Under price mix, besides fixing the price of the product or service, decisions regarding credit sale, discount, etc. are also included.
- iii. **Promotion Mix:** It refers to informing the customers about the product, persuading them to purchase these products. This job is done by the company through the medium of advertisement, personal selling, sales promotion and publicity. Decision with regard to all these factors directly influence the sale of the product.
- iv. **Place Mix:** It refers to the combination of all decisions relating to make products available to consumers. If the product is not available on right time, in right quantity and at right place then consumer will not be able to buy it. In such a situation, all activities of Marketing Mix will turn futile. So to make Marketing Mix a success, Place Mix is very important. To make the product reach the consumers the decisions regarding the following are included in 'Place Mix':
 - a. **Channels of Distribution:** It refers to that path through which products reach consumers. In this path many people and firms participate.
 - b. **Physical Distribution:** It involves decisions relating to the transportation, inventory, warehousing and order processing of goods.

[5 marks]

Q.1. Distinguish between marketing and selling.

Ans. Difference between Marketing and Selling

Basis of Difference		Marketing	Selling
1. Part of the Process	Vs. Wider Term	Its scope is broad.	Its scope is narrow. It is a part of marketing.
2. Transfer of Title Vs. Customer's Needs	Satisfying	The main focus is on achieving maximum satisfaction of the customers', needs.	The main focus is on the transfer of ownership of the product from the seller to the buyer.
3. Profit through Sales	Vs. Customer satisfaction	With a view to earning profit, priority is given to	To earn profit preference is given to

	consumer's satisfaction.	maximum sales.
4. Start and end of the Activities	Marketing activity starts, the moment idea of producing the goods comes to mind. It ends with the satisfaction of the customer.	Selling activity start after the production of the goods. It ends with the sale of the product.
5. Difference in Emphasis	Under it customer's satisfaction is emphasised.	Under it seller's satisfaction is emphasised.

Q.2. What is Marketing? Explain any four functions of marketing.

Ans. Marketing: It refers to that process under which valuable goods/services are created, offered and by doing transaction independently, the needs are satisfied.

Functions:

- i. **Product Designing and Development:** Product designing and development is that process which makes the product attractive to the target customers. Product designing plays an important role in product selling. The company whose product is better and attractively designed sales will be more than the product of a company whose design happens to be weak and unattractive. In this way, it can be said that the possession of a special design affords a company competitive advantage. It is important to remember that it is not sufficient to prepare a design in respect of a product, but it is more important to develop it continuously.
- ii. **Promotion:** Promotion means informing the consumers about the products of the company and encouraging them to buy these products. There are four methods of promotion: (a) Advertising, (b) Personal selling, (c) Sales promotion and (d) Publicity. Every decision taken by the marketer in this respect affects the sales. These decisions are taken keeping in view the budget of the company.
- iii. **Customer Support Service:** It refers to a group of services which aim at providing maximum satisfaction to the customers. A marketer offers primarily the following services to the customers:
 - a. After-sales-services.
 - b. Handling customers' complaints.
 - c. Technical services.
 - d. Credit facilities.
 - e. Maintenance services.
 - f. Product related information.
- iv. **Pricing of Products:** It is the most important function of a marketing manager to fix price of a product. The price of a product is affected by its cost, rate of profit, price of competing product, policy of the government, etc. The price of a product

should be fixed in manner that it should not appear to be too high and at the same time it should earn enough profit for the organisation.

Q.3. Define Marketing. Explain its features.

Ans. Definition: According to **Philip Kotler**, *“Marketing is that social process by which individuals and groups obtain what they need and want through creating offerings and freely exchanging products and services of value with others.”*

Features: Following are the main features of marketing:

- i. **Need and Want:** Marketing is the process of fulfilling the needs and wants of the consumers. All the people have almost the same needs but their wants happen to be different, e.g., feeling hungry is a need but satisfying it by eating only sambhar and dosa is a want. A seller tries to find out the needs of the consumers and how those needs are to be satisfied.
- ii. **Creating a Market Offering:** It refers to provide complete information about the product and services e.g., providing information about the name of product and service, type, price, size, centre of availability, etc. A good market offer is always prepared keeping in mind the needs and priorities of the customers.
- iii. **Customer Value:** A buyer analyses the cost and the satisfaction that a product provides before buying it. When he find that the satisfaction, that it provides out weighs the cost factors, only then he buys it. The seller should manufacture the product keeping in view this tendency of the customer.
- iv. **Exchange Mechanism:** Literal meaning of marketing is exchanging things. Marketing has two sides—buyer and seller. Marketing becomes possible only by the medium of exchange between the two. For example, the seller gives goods and services and in exchange the buyer gives money or something equivalent to it. These days the distance between the place of production and the place of consumption has increased. To lessen this distance the help of many intermediaries like the agents, wholesalers, retailers, etc. is taken. All these reduce this distance through the medium of marketing. Therefore, it can be said that exchange is the essence of marketing.

Q.4. What is marketing management? Explain the main steps involved in the process of marketing management.

Ans. Meaning: Marketing Management? It refers to the management of all marketing activities. **Process:** Main Steps Involved in the Process of Marketing Management: The following main steps are involved in the process of marketing management:

1. **Choosing a Target Market:** First of all, the marketing manager decides the type of consumers the company wants to approach. For example, a company manufacturing readymade garments may aim at reaching the market of children upto the age of five. Similarly, another company may aim at a market of college going boys and girls.

2. **Growing Consumers in Target Market:** In this stage, the marketing manager makes efforts so that:
 - i. The consumers of target market may purchase goods.
 - ii. The consumers of the target market should remain associated with the company for a long time.
 - iii. New consumers should get attracted towards the company. Thus, in this stage efforts made to reach the target market consumers, to keep them associated and to increase their number.
3. **Creating Superior Values:** It implies to create such special features in the company's products as may enable the company to surpass the competitors. For example, a company offering two year's free service on its electronic products. This results in new consumers getting associated with the company and they begin to communicate the speciality of the company's products to other people.

Q.5. Explain 'Price' as an element of marketing-mix. Also explain any four factors that affect the fixation of price of a product.

[CBSE 2014]

Ans. Meaning: It refers to all those decisions which are concerned with the price fixation of any product or service.

Factors to be kept in mind before Pricing:

- i. **Cost of production:** Cost of production is the main component of price. No company can sell its product or services at less than the cost of production. Thus, before price fixation, it is necessary to compile data relating to cost of production and keep that in mind. There are two types of cost: (a) Fixed cost (e.g., Rent of building, Salary of permanent staff, etc.) (b) Variable cost (e.g., Material, Labour, etc.). At least the price should be able to recover the variable cost as the fixed cost are incurred whether the production takes place or not.
- ii. **Demand for product:** Intensive study of demand for product and services in the market be undertaken before price fixation. If demand is relatively more than supply, higher price can be fixed.
- iii. **Price of competitive firms:** It is necessary to take into consideration prices of the products of the competing firms prior to fixing the price. In case of cut-throat competition it is desirable to keep price low.
- iv. **Purchasing power of customers:** What is the purchasing power of the customers and at what price and how much they can purchase? It should also be taken into consideration.

Q.6. Explain the factors that determine the choice of channels of distribution.

Ans.

1. **Unit value of the product:** When the product is very costly it is best to use small distribution channel. For example, Industrial Machinery or Gold Ornaments are very costly products that is why for their distribution small distribution channel is

used. On the other hand, for less costly products long distribution channel is used.

2. **Perishability:** A manufacturer should choose minimum or no middlemen as channel of distribution for such an item or product which is of highly perishable nature. On the contrary, a long distribution channel can be selected for durable goods.
3. **Technical nature:** If a product is of a technical nature, then it is better to supply it directly to the consumer. This will help the user to know the necessary technicalities of the product.
4. **Number of buyers:** If the number of buyer is large then it is better to take the services of middlemen for the distribution of the goods. On the contrary, the distribution should be done by the manufacturer directly if the number of buyers is less.
5. **Types of buyers:** Buyers can be of two types: General Buyers and Industrial Buyers. If the more buyers of the product belong to general category then there can be more middlemen. But in case of industrial buyers there can be less middlemen.

Q.7. What is meant by Packaging? State any four functions of Packaging.
[CBSE 2011]

Ans. Meaning: It refers to the group of those activities which are related with the designing and production of the containers in which the products are packed. **Functions of Packaging:**

- i. **Product Identification:** Packaging serves as an identification of the product. A product is packed in special sized, coloured and shaped container for keeping its difference from the products of competitors. For example, they yellow and black coloured pack of KODAK ROLL tells itself of its producer.
- ii. **Product Protection:** The main function of packaging is to provide protection to the product from dirt, insects, dampness and breakage. For example, the products like biscuit, jam, chips etc. need to be protected from environmental contact. That is why they are tightly packed.
- iii. **Convenience:** Packaging provides convenience in the carriage of the product from one place to another, in stocking and in consuming.. For example, the new pet bottles of COKE makes the carriage and stocking easier. Similarly, the pack of FROOTI provides convenience in its consumption.
- iv. **Product Promotion:** Packaging simplifies the work of sales promotion. Packing material in the house reminds the consumers constantly about the product. In this way, the packaging performs the role of a passive salesman. Consequently, it increases the sales..

Q.8. Define advertising. What are its main features? Explain.

Ans. Definition: In the words of C.L. Bolling, “Advertising can be described as the art of creating a demand for article or a service.”

Features: Main features of advertising are as under:

- i. **Paid Form:** Only that attempt of the seller on which he has spent some money to communicate information to the consumer is called advertising. If without incurring any expenditure some information relating to some product or service is published, it will not be called advertising. It may be called propaganda or publicity.
- ii. **Impersonal Presentation:** Advertising is non-personal presentation of information. In other words, advertiser and consumer do not come into personal contact. Advertising is a monologue and not a dialogue.
- iii. **Speedy and Mass Communication:** Advertising is a speedy medium of communication. Besides being speedy, its operational area is very vast. In other words, it reaches millions of people simultaneously.
- iv. **Identified Sponsor:** Another feature of advertising is that its sponsor can be identified. If due to some reason it is difficult to identify the sponsor, then that information cannot be called advertising. It will be called propaganda or publicity.

Q.9. Write the meaning and features of personal selling.

Ans. Meaning: Personal selling consists of contracting prospective buyers of product personally. **Features:** Main Features of personal selling are as under:

- i. **Personal Form:** Under personal selling there establishes personal contact between buyers and salesman. In other words, both the parties face each other.
- ii. **Development of Relationship:** Personal selling results in the development of personal relationship between the sales person and the possible buyer. Such a relationship has an important place in sales.
- iii. **Oral Conversation:** There is oral conversation between the sales person and the buyer regarding the features of the product, *i.e.*, price, colour, shape, design, method of use, etc.
- iv. **Quick solution of Queries:** The prospective buyer can make inquiries regarding the product. Salesman answers these queries quickly and removes any doubts in the mind of the buyer.

Q.10. What are the tools of public relations?

Ans. The following are the tools of public relations:

- i. **News:** News is a good and faithful source to convey information to the public. The officers of the public relation department time to time present such information which are worthy being covered in news. For example, news may be how the company is giving special facility to children in the context of Childrens' Day.
- ii. **Events:** In the form of events companies time to time organise press conferences and opening ceremonies of new office, factory premises and branches. This is a big image building media.

- iii. **Printed Material:** To attract the public various types of printed material is sent to the relevant group of public printed material mainly includes Annual report, Articles etc. Generally, these are send to the shareholders.
- iv. **Speeches:** Public relation department frequently creates occasions when the senior managers address the various groups of people regarding the progress of the company. The various groups of people include bankers, shareholders, employees and select customers.
- v. **Public Service Activities:** Oftenly the companies attach themselves to some Public Service Activities. The objective to do this is to create a good image in the Public. For example; to take the responsibility or onus of maintaining any park, religious place or any other public place.