
CBSE Test Paper - 02
Chapter - 11 Marketing Management

1. Providing information to the customers about product, its features and quality etc., are part of : **(1)**
 - a. Production
 - b. None of these
 - c. Promotion
 - d. Pricing

2. Scope of _____ is limited but scope of _____ is wider. **(1)**
 - a. Selling, Marketing
 - b. Marketing, Publicity
 - c. Marketing, Selling
 - d. Selling, Manufacturing

3. Which of the following starts from (starting point) factory_____. **(1)**
 - a. Product concept
 - b. Production concept
 - c. All of these
 - d. Selling concept

4. Marketing mix is the set of the _____. **(1)**
 - a. Selling tools
 - b. Production tools
 - c. Publicity tool
 - d. Marketing tools

5. Distinguish between ‘Selling Concept’ and ‘Marketing Concept’ of marketing management philosophies on the basis of main focus. **(1)**

6. Sunita took her niece, Aishwarya for shopping to ‘Benetton’ to buy her a dress on the occasion of her birthday. She was delighted when on payment for the dress she got a

discount voucher to get 20% off for a meal of Rs. 500 or above at a famous eating point.

Identify the technique of sales promotion used by the company in the above situation. **(1)**

7. **Buy one get one free** is printed on the label of the package of a mosquito repellent. State the labelling function being performed by this statement. **(1)**
8. What is "Promotion Mix"? **(1)**
9. Hemand, Guddu and Toshita were friends from college days and presently they were doing different kinds of business. They regularly meet and discuss their business ideas, and exchange notes on customer satisfaction, marketing efforts, products designing, selling techniques, social concerns, etc.
In one of such meetings, Helmand drew the attention of Guddu and Toshita towards the exploitation of consumer. He told that most of the sellers were exploiting the consumers in various ways and were not paying attention towards the social, ethical and ecological aspects of marketing, whereas he was not doing so. Guddu told that they were under pressure to satisfy the consumer but stated that the consumers would not buy or not buy enough unless they were adequately convinced and motivated for the same.
Toshita stressed that a company cannot achieve its objectives without satisfying the needs of the customers. It was the duty of the businessmen to keep consumer satisfaction in mind, because business is run by the resources made available by the society. She further stated that she herself was taking into consideration the needs of the customers.
Identify the various types of thinking that guided Hemand, Guddu and Toshita in the marketing efforts of their business. Also, state one more feature each of the various types of thinking identified that is not given in the above paragraph. **(3)**
10. Rupali intends to start an enterprise that produces chocolates. Initially, in order to assess the taste and preferences of the people about the chocolates. She used social media and online surveys. Thereafter, she prepared a detailed SWOT (strengths, weaknesses, opportunities and threats)analysis of her enterprise to devise a strategy that will give her an edge over the competitors. Based on her analysis of the market,

she decided to launch sesame and jaggery based chocolates under the brand name 'Desi Delight'. She has decided to fix up the price of chocolates relatively at lower level in the beginning and later on as the demand picks up she may revise the prices.

In the context of above case:

- a. Identify the elements of marketing mix being taken into consideration by Rupali.
- b. Explain briefly the functions of marketing highlighted here.
- c. Do you think she has selected an appropriate brand name for her product? Why or why not? Give a reason for your answer. **(3)**

11. what is meant by 'Place' in marketing mix? **(4)**

12. Though advertising is one of the most frequently used medium of promotion of goods and services, yet it attracts a lot of objections.' Explain any four such objections. **(4)**

13. A company was marketing 'Juicers' which were very popular due to their quality and after-sale - services provided to the customers. The company was a leading company in the market and earning huge profits. Because of huge profits, the company ignored the after-sales services. As a result its relations with the customers got spoiled and the image of the company in the public was damaged. Top management became concerned when the profits for the current quarter fell steeply. On analysis, it was revealed that ignoring the after sales services was its reason. Therefore, the company took all possible measures to protect and promote its favourable image. As a result the goodwill of the company improved in the society.

i. Name and state the communication tool used by the marketer in the above case to improve its image.

ii. Also explain role of the tool as identified in Part (i). **(5)**

14. Differentiate between advertising and personal selling on any five basis. **(5)**

15. What is Marketing Mix Concept? What are its main elements? Explain. **(6)**

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Answer

1. c. Promotion

Explanation: In marketing, promotion is advertising a product or brand, generating sales, and creating brand loyalty. It is one of the four basic elements of the market mix, which includes the four P's: price, product, promotion and place.

2. a. Selling, Marketing

Explanation: Marketing is a broad, somewhat simplistic concept, where selling is thought of as the exchange activity. Marketing is an overall Organisational activity (the planning, pricing, promotion, packaging, advertising) and selling of any Value Offer (Product) Selling is therefore only a part of the overall Marketing of any Product and therein lies the difference.

3. c. All of these

Explanation:

Production Concept, Product Concept and selling Concept starting from factory. Continuous exposure to advertising and personal selling leads many people to link marketing and selling, or to think that marketing activities start once goods and services have been produced.

4. d. Marketing tools

Explanation:

The marketing mix has been defined as the set of marketing tools that the firm uses to pursue its marketing objectives in the target market.

5. The main difference between selling concept and marketing concept is that the main focus of selling concept is on attracting consumers, while consumers' satisfaction is the main focus of marketing management.
6. The technique of sales promotion used by the company in the above situation is 'Usable benefit'.
7. Product Promotion.
8. Promotion mix refers to the combination of all decision relating to promotion of sale

of products and services like print or broadcast advertising, direct marketing, personal selling, point of sale displays, and merchandising.

9. The various types of marketing concepts followed by Hemand, Guddu, and Toshita are specified below

Hemand emphasized on 'social marketing concept of marketing'.

Guddu emphasized on 'selling the concept of marketing'

Toshita emphasized on 'marketing concept' The salient features other than those mentioned in the passage are

- i. **Societal marketing concept:** . The business must reciprocate to society as its survival depends on the society.
 - ii. **Selling concept:** Product quality and availability does not ensure the survival and growth of the business. Certain effective promotional tools could prove to be significant for this.
 - iii. **Marketing concept:** The needs and wants of the target customers should be understood and based on this the product should be introduced.
10. a. The elements of marketing mix being taken into consideration by Rupali are Product (This represents an item or service designed to satisfy customer needs and wants. To effectively market a product or service, it's important to identify what differentiates it from competing products or services. It's also important to determine if other products or services can be marketed in conjunction with it) and Price(The sale price of the product reflects what consumers are willing to pay for it. Marketing professionals need to consider costs related to research and development, manufacturing, marketing, and distribution—otherwise known as cost-based pricing. Pricing based primarily on consumers' perceived quality or value is known as value-based pricing.).
- b. The functions of marketing highlighted here are explained below:
- i. **Gathering and analysing market information:** The prime focus of marketing is to 'find wants and fill them'. Therefore, it is absolutely essential for a company to study the needs and preferences of its target market in order to satisfy their needs and wants optimally.
 - ii. **Product designing and development:** Every marketer strives to achieve his marketing objectives by creating offerings to satisfy a need or a want. Therefore, one of the core function of marketing is to develop the product in

the most effective and efficient way. Every marketer endeavours to add value to his product by introducing constant innovations in the product to enhance both its utility and attractiveness in the eyes of the potential buyers and gain a competitive edge.

iii. **Pricing:** Price is the monetary value paid in consideration for purchase of a product or service by a buyer to its seller. The process of determining the price of a product or service is called pricing. It is a crucial decision for the marketers as consumers are very sensitive to the pricing. The factors affecting price determination are cost of product, the utility and demand, extent of competition in the market, government and legal regulations, pricing objectives and marketing methods used.

c. Yes, she has selected an appropriate brand name 'Desi Delight' for her product as the name reflects on the product's benefits and qualities. The word 'Desi' indicates that the product contains indigenous ingredients like sesame and jaggery and Delight denotes the pleasure that the person is going to get on consuming the delicious chocolates.

11. **Place** is one of the important component of P4s of the marketing mix. Place refers to a set of decisions that need to taken in order to make the product available to the customers for purchase and consumption. The product should be made available to the customers at the right place, in right quantity and in right time otherwise the customers would not be able to buy them. Making the products available to the customers require (a) development of channels of distribution; and (b) physical distribution of products. Thus, it is a process by which the goods are transferred from the place of production to the place of consumption.

12. i. Advertising forces people to buy goods which are not within their reach. Such an objection cannot really be valid, because, every individual knows his buying power and, therefore, can act prudently. It is not correct to criticize advertising for his actions.

ii. Advertising leads to higher cost of goods: The cost of an advertisement will come to be included while computing the cost of the product. This leads to a rise in the final price of the product which burden only falls on the buyer. This, of course, is inevitable. But one should think of the benefits derived from advertising.

iii. In a society where there are inequalities of income and wealth, advertising can

only help people with purchasing power to buy. A majority of the people, although have the desire to buy, but have no buying power. As a result, such people will have to go disappointed. Thus, a feeling of discontent and disappointment among many creeps in because of advertising.

iv. Advertising does not allow people to remain contented: By multiplying the needs of the people, advertising lures people to acquire more and more goods.

13. i. The communication tool used by the marketer in the above case is 'Public Relations' Public relation is an important element of marketing It means maintaining relations with public By maintaining such relations, companies create goodwill Public relations evaluate public attitudes, identify the policies and procedures of an organisation with the public interest to earn public understanding and acceptance. The professional maintenance of a favourable public image by a company or other organization or a famous person. Public does not mean only customers, but it includes shareholders, suppliers, intermediaries, customers, etc Thus, it helps in maintaining and establishing mutual understanding between an organisation and public.

ii. **Role of Public Relations** The role of public relations can be discussed with respect to functions performed by the public relations department. These functions are

- a. **Smooth Functioning of Business:** It helps in analysing trends, predicting their consequences, counselling organisational leaders and implementing a planned programme of action and thus helps in smooth functioning of business and achievement of objectives.
- b. **Building Corporate Image and Brand Equity:** Public relations cover a wide range of tactics, tools and programmes to promote and protect a company's image and products. It uses the tools to build a corporate image which ultimately affects favourably on its products. Sponsoring various efforts to publicize specific products or services.
- c. **Launching New Products:** The good image promotion itself lends credibility to new launches of the organisations.
- d. **Press Relations:** The public relations department is in contact with the media to present true facts and a correct picture about the company, otherwise, news can get distorted if it is taken from some other source. Or Communicating news and information of interest about organizations in the most positive light.

- e. **Corporate Communication:** The public relations department promotes the image of the company by communicating with the public and the employees of the organisation. In simple words we can say that Promoting a better and more attractive understanding of the organization with internal and external communications.
- f. **Lobbying:** The public relations department is liable to maintain healthy relationships with government officials, ministers of industry and finance, associations of commerce and industry and etc. At the same time, they have to be proactive in promoting or defeating regulations that affect them. In simple words we can say that Communicating with key individuals to positively influence legislation and regulation.
- g. **Counselling:** The public relations department advises the management on general issues that affect the general public and the goodwill of the company.
- h. **Internal Feedback:** Advising decision makers within the organization regarding the public's perception and advising actions to be taken to change negative opinions. This feedback is given from the proprioceptive sensors.

14. The differences between advertising and personal selling are:

| Basis | Advertising | Personal Selling |
|----------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Form | It is an impersonal form of communication as the buyer and the seller are not in direct contact. | It is a personal form of communication as there is direct contact between the buyer and the seller. |
| Message | There is uniformity of message which means that the message is the same for all the customers. | There is flexibility in terms of imparting the message. |
| Time | It takes little time in conveying any information to the customers. | It takes more time in conveying information to the customers. |
| Feedback | No immediate feedback is obtained. | Immediate feedback is obtained. |
| Media | TV, radio, newspapers and magazines. | Through salesmen. |

15. The marketing mix is an essential part of marketing management. In simple words,

the marketing mix can be defined as the set of marketing tools namely product, price, promotion, and distribution, that a firm uses to pursue its marketing objectives in a target market. The combinations of variables chosen by a firm to prepare its marketing offering are called marketing mix Elements of Marketing Mix: There are four elements of marketing mix also known as four Ps of marketing.

i. Product

Product means goods or services either tangible or intangible or 'anything of value' which is offered to the market for sale. It is a bundle of utility which is purchased because of its capability to provide satisfaction of certain needs. For example, Samsung offers a number of products like mobile phones, LCD, LED, Refrigerator, CD-DVD player etc. Hindustan Lever offers a number of consumer products like toothpaste, bathing soap, detergent powder etc.

The important product decisions include

- a. Decisions about the quality, design, and packaging of the product (BPL i.e branding packing and labeling)
- b. Profit and sale growth potential
- c. Better customer service
- d. The utilization of available know-how and other strengths of the firm
- e. Cost reduction
- f. Better capacity utilization.

ii. Price

The price of a product is the amount of money paid by the buyer to own the product or the services. Pricing is the main activity in marketing management. It is not only concerned with the profit made by the firm but it also decides the preferences of the customers and the reach of the product in the market. It is the main factor on which the success and the failure of the product in the market totally depend.

Pricing decisions are influenced by economic and non-economic considerations.

Some factors that influence the pricing are :

- a. Cost of the product
- b. Need and demand for the product
- c. Level of competition
- d. Government policies

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- e. The objective of the firm whether profit maximization or obtaining market share leadership.
 - f. Taste, preference, and behavior of customers.
 - g. Marketing methods used.

iii. Place

Place or Physical Distribution include activities that make the firm's product available to the target customers. It is concerned with making the goods or service available at the right place, in the right quantity and at right time.

Some factors that influence the place related decisions are :

- a. Selection of dealers or intermediaries or choice of the channel of distribution.
- b. Managing inventory
- c. Storage and warehousing
- d. Transportation of goods from manufacturer to customers to reach mass consumers easily.

iv. Promotion

Promotion includes all those activities that communicate availability, features, and merits of the products to the target customers and inspire them to buy it. These days all business organizations are spending a substantial amount of money on the promotion of their products and services. It means to promote the sale of goods in a desirable manner. It is a combination of promotional tools used by an organization to achieve its communication objectives.

Promotion includes :

- a. Advertising
- b. Personal selling
- c. Sales promotion
- d. Publicity and public relations