

SEMESTER - II

BA18214

MARKETING MANAGEMENT

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Objective(s):

1. To understand the concept of marketing and its relationship with other functions
2. To identify the various drives of marketing strategies for industrial, consumers and services marketing
3. To analyze the product development with marketing mix strategies.
4. To evaluate the factors influencing individual and industrial buyer behavior
5. To study the Techniques for preparing marketing research report and decision making

UNIT - I INTRODUCTION

[09 Hrs]

Marketing, Definition, Core marketing concept – Customer Oriented Organization – Marketing interface with other functional areas - Marketing in Macro Environment.

UNIT - II CONSUMER BEHAVIOUR

[09 Hrs]

Understanding Industrial and Individual Buyer Behavior- Influencing factors- Responding to buyer behavior - Building customer satisfaction –Customer life time value, Customer acquisition- Retaining – Dissonance.

UNIT - III MARKETING STRATEGY AND PLANS

[09 Hrs]

Marketing Strategy Formulations - Key Drivers of Marketing Strategies- Porter's five force model, ASOF Matrix, Macginzes 7s model -Consumer Marketing, Services marketing, - Competitor Analysis- Analysis of consumer and industrial markets.

UNIT - IV MARKETING MIX

[09 Hrs]

Product Planning and Development - Product Life Cycle, Product Mix – Developing New Product - Market Segmentation –Targeting and positioning- Developing Marketing Mix - Pricing decisions - Channel Design and Management - Integrated Marketing Communications.

UNIT - V MARKETING RESEARCH & IMPACT OF INFORMATION TECHNOLOGY ON MARKETING DECISIONS

[09 Hrs]

Marketing Research- Process, Tools and Techniques- Preparation of Marketing Research Report. Online Marketing ,E-Retailing and Two-sided platform ,Multi sided platform – Emerging new trends and Challenges to marketers and Ethics in Marketing.

Total (L: 45 T: 0) = 45 Periods

Course Outcomes: On completion of this course, the student will be able to:

1. Understand the concept of marketing and its relationship with other functions of marketing.
2. Analyze the marketing strategies for industrial consumers and services marketing.
3. Acquire the knowledge on product planning and development towards market segmentation.
4. Aware of buyer behavior and other factors influencing to acquire customer.
5. Prepare the marketing research report to take decisions.

Reference Books :

1. Philip Kotler: Marketing management, prentice hall of India P (ltd), 16th edition, New Delhi 2015.
2. P.K. Agarwal, Marketing Management, Pragati Prakashan, sixth Edition, Meerut 2016
3. Zikmand d'Amico, Marketing South western, Thomson Learning ninth edition 2014, New Delhi.
4. Micheal R.Czinkota & Masaaki Kotabe, Marketing management, Vikas Thomson learning Eighth edition 2016, New Delhi.
5. Tapan k.Panda, Marketing Management Text and Cases, Excel Books 6th edition 2015, New Delhi
6. G.C. Beri, Marketing Research, Mcgrraw Hill 5th edition, New Delhi.

21/8/2018

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DEPARTMENT OF BUSINESS ADMINISTRATION (MBA)

NAME : Dr. K. JOTHILINGAM
CLASS : I MBA
SUBJECT : BA18214 - MARKETING MANAGEMENT

UNIT – I

2 Mark Questions:

1. What is meant by marketing?

Market includes both place and region in which buyers and sellers are in free competition with one another.

2. Define Marketing.

According to American marketing association says, " marketing is concerned with the people and the activities involved in the flow of goods and services from the producer to the consumers.

3. List out the objective of marketing.

1. Intelligent and capable application of modern marketing policies.
2. To develop the marketing field
3. To develop guiding policies and their implementation for a good result.
4. To suggest solution by studying the problem relations to marketing.
5. To find sources for further information concerning the market.
6. To take appropriate actions in the course of actions.

4. What are the Importance of Marketing? (Society, Individual Firms)

1. Marketing is the connecting link between the consumer and the producer.
2. Marketing helps to increase the living standards.
3. Marketing helps to increase the nation's income.
4. Marketing process increase employment opportunity.
5. Marketing creates modern cultivations.
6. Marketing removes the imbalances of supply by transferring the surplus to deficit areas, through better transport facilities.
7. Marketing helps to maintain economic stability and rapid development in underdevelop or developing countries.(if the production is more than demand, the excess goods cannot be sold at acceptable price).
8. Marketing includes all activities in the creation of utilities- form, place, time and possession.

To the individual firms:

1. Marketing generates revenue to firm. A firm fulfills its motive only through marketing when markets are widened sales in c ,and terms profits to the firm increases.

2. Marketing section of a firm is the source of information to the top management for taking overall decisions on production.

3. Marketing and innovations are true two basic functions of all business, change a business. on the basis of requirements of customers – new products, new methods, etc.. is more important than running is more important than running business more efficiently.

4. Marketing facilities the development of business and creates employment opportunity for people.

5. Marketing And Other Related Terms

Merchandising:

- ✓ It is only product planning.
- ✓ It aims at the internal planning relating to products or services for marketing at the right time, right price and in proper colour, qualities and sizes.
- ✓ Thus, it is only a part of marketing study.

5. List out the difference between Selling and marketing.

This is the last process of marketing. It is the needs of the sellers. It is an internal aim of a business.

Selling	Marketing
1.emphasis on the product.	1.Emphasis on customer's wants
2.sales are the primary motive.	2.Satisfaction of the customer is primary.
3.First production, then selling takes place at a profit without knowing customer's needs.	3.First customer's needs is known and then production takes place, then the product is sold at profit.
4.Internal company orientation.	4.External market orientation.
5.company's need is the motive.	5.buyer's need is the motive.
6.cost determines price.	6.consumer determines price, price determines cost.
7."selling" views the customers as the last link in the business.	7.marketing views the customer as the very purpose of the business.
8.It is an activity that covers the goods into cash.	8.it is a function that converts the consumer needs into products.

Distribution:

It means physical transfers of goods.

Business:

Business means either producing or purchasing of goods and services and selling those goods and services for the purpose of earning a profit.

Goods:

Goods may also be called as product. They are tangible.

A) Consumer goods:

This type of goods are purchased by ultimate users or consumers for their personal use.

Eg: food, biscuits, toys, clothes etc..

To satisfy the non – business wants.

(i) Convenience goods:

Consumers or purchases get commodities such as bread, drug, perfumery, soap, sugar, news paper, petrol etc..

The purchase of goods cannot be postponed because they are daily necessities of life.

(ii) Shopping goods:

Before making final selection, the consumers make an enquiry as to the products comparative price, durability, style, etc..from different shops.

Goods like jeweler, furniture, ready-made garments etc....

(iii)Speciality goods:

Certain products posses special attraction to the consumers. as such the consumer, may wait or suffer in convenience to get the desired goods.

This type of goods are high value and manufactured by repeated firms.

For eg: cars, refrigerators, fancy goods, television, electrical appliances.

B) Industrial goods:

Goods which are used for production or used in producing others products are industrial goods.

This type of goods are generally sold to manufactures who in turn use them to make other own products.

Classification of industrial goods:

1) Raw Material:

They are the basic materials entering physically into the final products.

For eg: Building stones, raw cotton, etc...

2) Fabricated material:

This category will enter physically into the final products, but some type of processing is already undergone.

For eg: yarn, copper sheets, leather etc...

3) Components parts:

Such type of parts are already undergone some processing and more or less the parts can be called as final products.

That is the assembly of several components parts, makes the final products.

The components are visible in the final products, such as batteries, tyres, speed meter, spare parts etc...

4) Installation:

Machines, buildings, equipments, etc... do not enter into final products and are durable for a long period.

They are essential for production.

For eg: Gas, power installation etc..

5) Accessories:

They are light machines or tools which are used for the operation of a business.

Eg: Hand – tools, cash register in a retail shop type writers, calculators, a/c machines etc....

6. Services:

Services are intangibles activities which are offered for sale as such as in connection with sale of goods.

Eg: Consultation, banking etc...

Services may be of two types:

1. Personal – education, common medical, legal services etc...

2. Business – advising, mercantile, credits, collection agencies.

6. Write Short Note On Nature Of Marketing Management.

- Marketing management is an art as well as a science.
- The handling of marketing activities requires various human talents.
- Sales managers are required to have personality traits so that they can do their job effectively.
- They must be artistic and imaginative to create effective advertising and sales programmes, and also to develop new and modern ideas in distribution methods.
- They must possess analytical abilities to cope with certain marketing aspects such as strategically, logical. Etc.,

- All these things prove that it is a science.
- A continuous practice in the problems of advertising, personal selling, sales promotion etc.,
- On the other hand, develops in them a group of “Artists”.
- Thus, we can conclude that marketing management is both an arts and science.

7. What are the different Approaches To The Study Of Marketing?

Marketing may be studied by different approaches.

1. Product or commodity approach.
2. Institutional approach.
3. Functional approach.
4. Management or decision making approach.

1) Product or commodity approach:

- ✓ Specific commodity are selected and they are closely followed to see how it reaches the consumer from the producer.
- ✓ We want to study the marketing of paddy. we should begin with the sources of supply of paddy, the volume of demand, the mode to transportation involved , the problem of storage, the middleman in the channels of distribution etc..

2) Institutional approach:

- ✓ This studies the functions of various marketing institutions, particularly the functions of middleman like wholesales, retailers etc...
- ✓ Hence, this approaches is also known as middleman approach.

3) Functional approach:

- ✓ Marketing is viewed from the standpoint of functions.
- ✓ The entire marketing process is divided into a number of functions like buying, assembling, storage, standadising, grading etc...
- ✓ Each function is analysed one after another and its nature, need, importance etc...

4) Management or decision making approach:

According to this approach, the changes in marketing occur due to two factor such as,

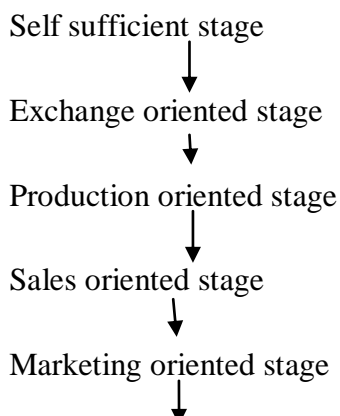
1) controllable factor:

are those factors which can be controlled by the business firm. They include adjustment of price, advt, personal selling etc...

2) uncontrollable factors:

are those factors over which the business firm exercise no control. It include economical, social, psychological and political factors.

8. Draw the Evolution of marketing concepts.



Consumer oriented stage



Management oriented stage

Self sufficient stage:

- 1.no exchange of goods.

Exchange oriented stage:

- 1.goods are exchanged against goods without any other medium of exchange like money.

Production oriented stage:

- 1.large scale of production
- 2.lack of attention on scales to customer

Sales oriented stage:

- 1.importance of marketing realized.
- 2.place of consumer accepted.

Marketing oriented stage:

1. stiff competition
2. dependence on sales force.
- 3.reliance on advt

Consumer oriented stage:

- 1.customer have attained the supreme power.

Management oriented stage:

- 1.marketing function assume managerial role to co-ordinate all interacting business activities within the objectives of planning, promotion and distributing want satisfying products and potential customers.

9. List out the benefits of modern marketing concept.

- 1.understanding of the consumer.
- 2.innovation and new opportunity.
3. creation of prestige and image.
4. cordial relationship with the consumer.
- 5.elimination of dead stock.
- 6.consumer advt and repeated sales.

10. What are the Factors responsible for the adoption of modern concept?

1. **Growth of marketing channel:** The Manufactures have direct contact with the consumers. But now various kinds of middlemen have come into being. This has created many problems related to the management of distributions channels.
2. **Growth of population:** the increase in population not only brought an increase in demand but also created variety in taste and preferences. The producers have to meet the various types of demands of the consumers.
3. **Growth in the number of household:** This division of joint families and the increase in the number of small families has thrown new challenges before the marketing executives.
4. **Growth of disposable income:** with an increase in personal income, employment and education, people, now-a-days want to spend more comfort, satisfaction and variety in consumption.

5. **Development of science and technology:** The development in these fields made the consumers' demand more sophisticated, and changes in the traditional line of thinking have become inevitable.
6. **Development of Mass communication Media:** Mass communication media like Radio, television, etc., have become increasingly popular today. This growth has enlightened the mind of the public and broadened their mental outlook. The continuous advertisement in radio, television, etc., made them well informed and Create more demand besides making the business field more competitive.

11. List out the Benefits of modern marketing concept.

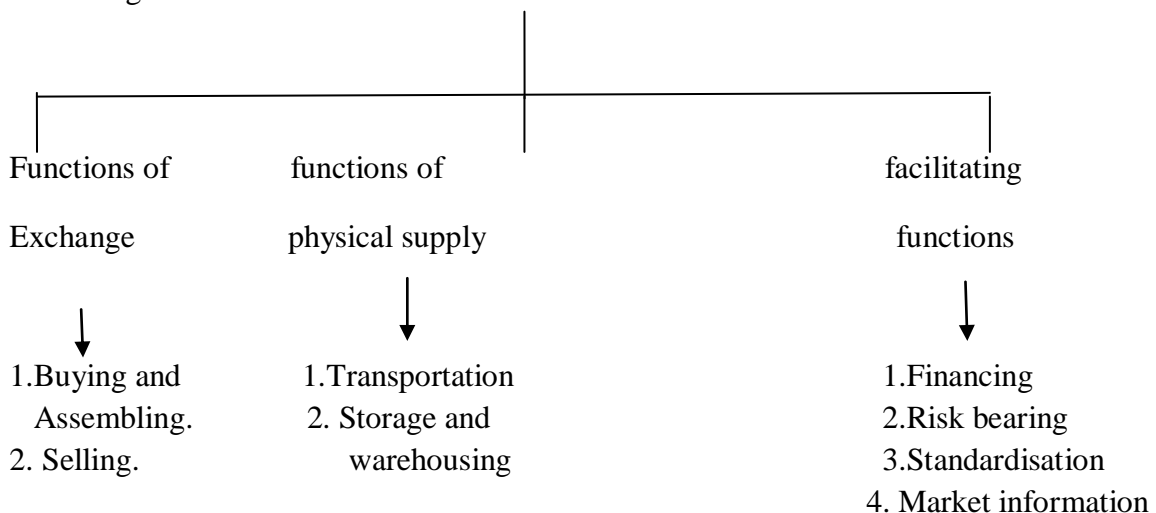
- Understanding of the consumer.
- Innovation and new opportunities
- Creation of prestige and image
- Cordial relationship with the consumer
- Elimination of dead stock
- Consumer advertising and repeated sales.

12. Draw The Functions Of Marketing.

The functional approaches to the study of marketing had made it possible to divide the whole process into a number of similar activities.

Classification of clark and clark:

Marketing functions



Functions of exchange:

1. buying and assembling:

- ✓ it is the first step in the process of marketing.
- ✓ It may be done directly or through middle.
- ✓ Manufactures buy Raw material for converting them into final products.
- ✓ Wholesalers and retailers buy goods for the purpose of resale.

Assembling:

Starts after the goods have been purchased.

- ✓ It refers to the bringing together a variety of goods of different quantities or of large quantity of similar items.

- ✓ Retailers, assembling is done by buying different items, in different quantities from different sources.

Selling:

- ✓ It is true crucial function in the process of marketing.
- ✓ It is true actual point where transfer of ownership occurs.
- ✓ Selling activity involves the tackling of a number of problems such as advt, facing competition, creating demand for new products, marketing research, supply goods in the right time and place.

Functions of physical supply:

1. Transportation:

- ✓ Markets are geographically separated from production areas, transportation is an essential marketing activity.
- ✓ Transportation involves the movement of goods from the point of production to the place of consumption.

2. storage and warehousing:

- ✓ storage is also necessary for products with uneven demand period and with seasonal demand.
- ✓ Storage increases the value of the products.

3. Facilitating Functions:

1. Financing:

Without adequate finance even the very existence of the business concern shall be affected.

2. Risk bearing:

- ✓ Risk are involved at almost all stages in the process of marketing.
- ✓ Risk is possible due to reasons like changes in demand and supply conditions, loss in storage and transport and other natural hazard.

3. standardisation and grading:

- ✓ The term standardization refers to the establishment of standards for products.
- ✓ Standards are generally determined on the basis of weights, color, quality and other special or special features of a product.

Grading is a part of standardization. It refers to the application of certain qualities, specification and size.

4. Market information:

The marketing executive must be adequate in form of the company not only the firm's product but also attitude of the customer using the product etc....

13. List out the Principles Of Marketing Management.

1. principles of planning:

proper planning is essential to achieve the various objective of marketing such as in the sales volume, in the net profits etc...

2. principle of organization:

sound principles of organization in order to achieve the various objective of marketing.

3. principles of direction:

The executives issues necessary directions o their subordinates so that all the activities under marketing sections can be co-ordi

4. principles of control:

This is essence to keep the marketing cost within control.

5.principles of motivation:

Success of management depends on the ability of its executive to motive the staff.

6. principles of achieving the goals:

The achievement of the goals of the concern.

7. principle of promoting sales:

Marketing managers should take all possible Steps to promote sales.(sales promotional activities).

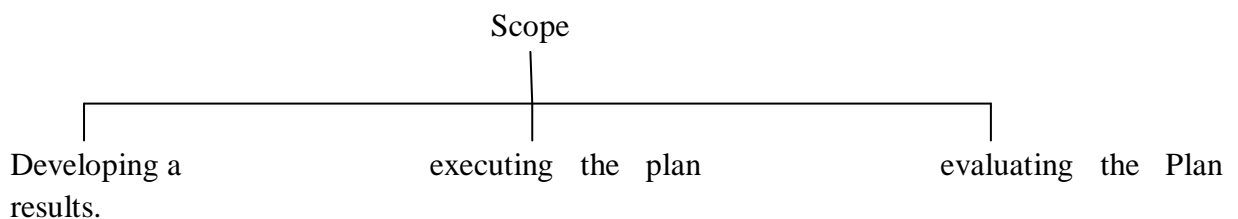
8. principles of customer satisfaction:

Customer satisfaction as the key satisfying organizational goals.

9. principles of marketing:

In order to satisfy the changed needs, wants, taste etc..of the consumer. The products are designed and produced accordingly.

14. Draw the Scope Of Marketing Management.

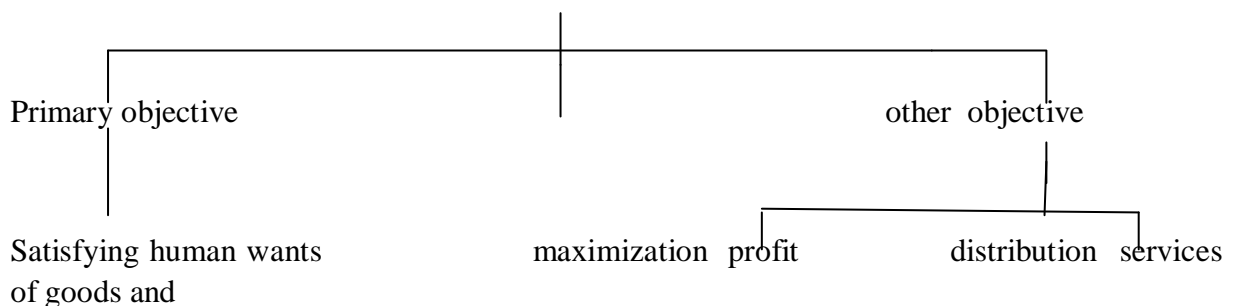


15. What are the different problems of marketing management?

1. Lack of marketing personnel.
2. Lack of marketing research.
3. Absence of scientific product planning.
4. Marketing cost.

16. Write short notes on objectives of marketing.

OBJECTIVES OF MARKETING



The first and foremost objective of all marketing activities is the satisfaction of human wants.

- ❖ Profit maximization is another object of marketing. if the firm fails to earn decent profit, its very existence itself may be handicapped.
- ❖ Profit as only an incentive but not an objective.
- ❖ Successful distribution of product is another notable object of marketing.

Effective distribution –refers to the flow of goods and services to the consumers.

17. What are the various features of marketing?

1. Consumer orientation:
 - a. Focusing on customer wants and needs so that the organization can distinguish its product from competitor's offering.
 - b. Integrating all the organization's activity, including production to satisfy these wants.
 - c. Achieving long-term goals for the organization by satisfying customer wants and needs usually and responsibly.
2. Consumer becomes the focal point in marketing.
3. Distribution of goods and services:-

It is the traditional concept of marketing.

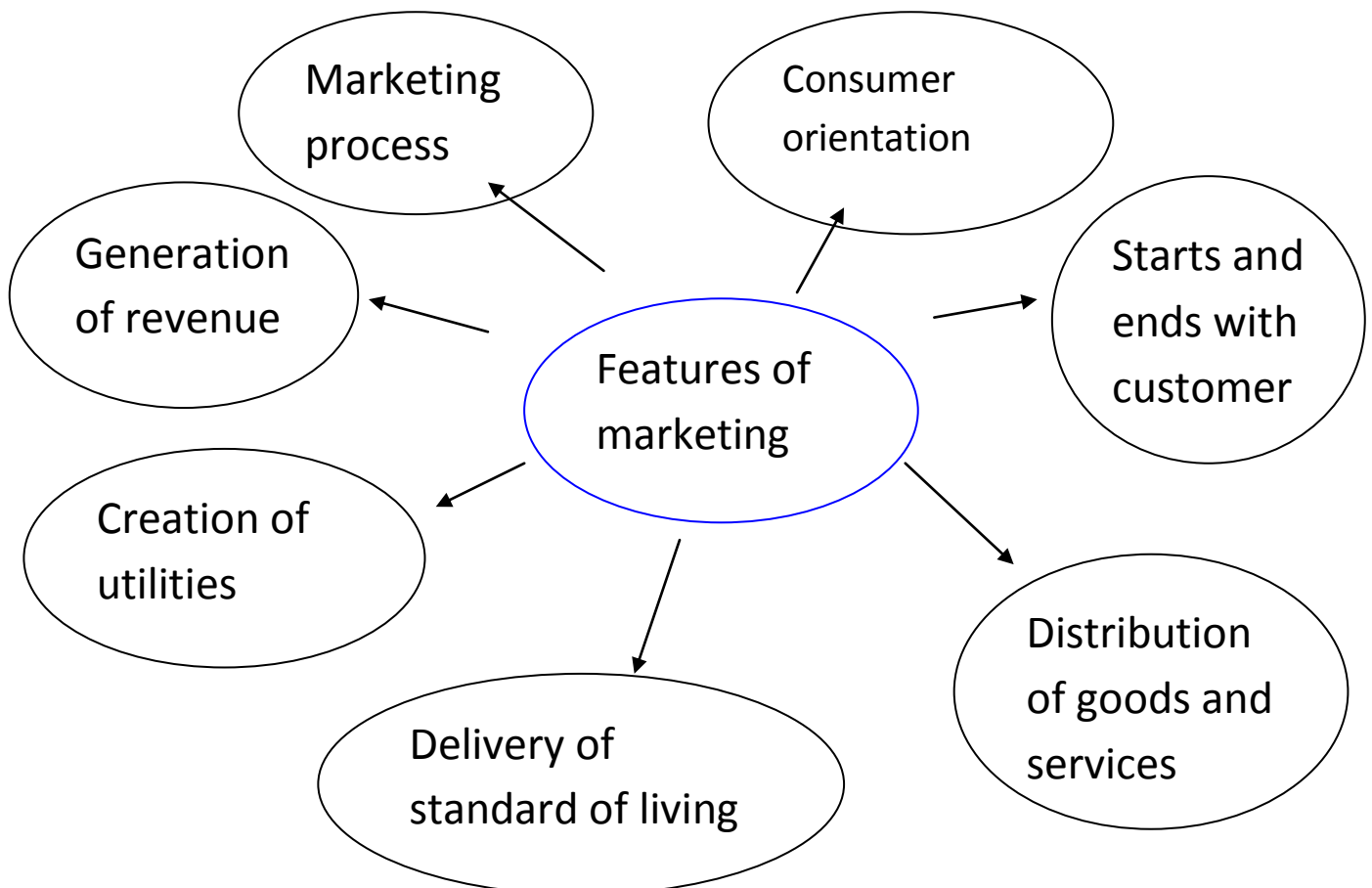
The term distribution covers all other activities such as transportation, storage, grading and all other efforts of the wholesale and retailers.
4. Distribution of standard of living:

The structure and efficiency of marketing system strongly influenced the amount of satisfaction deliver by the consumer.
5. Creation of utilities:

Marketing activity try to create 3 types of utilities – time, place and possession utility. The creation of such utilities adds value to a product.
6. Generation of revenue:

It is marketing's responsibility to generating revenue to a cost, which will allow a reasonable profit to be realized from its operation.

7. Marketing process:



18. Define Marketing environment.

A company's marketing environment consists of the actors and forces that affect the company's ability to develop and maintain successful transactions and relationship with its targets customers.

19. List out the marketing interface with other functional areas.

1. Production department:

- ✍ Production people, especially in B2B Company visit the factories of their client to understand their requirements.
- ✍ They invite customers to visit and study their own factories
- ✍ They willingly work overtime to meet promised delivery schedule to clients.
- ✍ They searched for ways and means to produce high quality goods faster and at low cost, with zero defects
- ✍ They meet customer's requirements for "customisation" where possible.

2. Materials / purchase department:

- ✍ They proactively search for the best suppliers.
- ✍ They strive to build long-term relationship with fewer but reliable, high quality supplies
- ✍ They don't compromise quality for price savings

3. Finance department:

- ✍ They prepare periodic profitability audit report on products, marketing segments, sales territories, order size, channels and individual customers
- ✍ They prepare bills and invoices.
- ✍ They understand and support market budget and expenditure like advertisement, sales promotion companies discounts etc.,
- ✍ Long terms customer preferences and brand loyalty.
- ✍ The financial package to the customer financial requirements.
- ✍ They make fast decisions on customer credit worthiness.

4. R&D department:

- ✍ They spend time meeting customers and listening to their problems.
- ✍ They encourage and welcome the involvement of marketing, production, and other departments to each new project.
- ✍ They benchmark competitor's products and seek "best of class" solution.
- ✍ They solicit customer reaction and suggestion as the project progress.
- ✍ They continuously improve and refine the product on the basis of market feedback

5. Distribution department:

- ✍ They set a higher standard for service delivery time and meet the standard consistently.
- ✍ They operate a knowledge and friendly customer service department that can answer questions, handle complaints and reduce problems in a satisfactory and timely manner

6. Sales department:

- ✍ They acquire specialised knowledge about the client's industry, especially in B2B marketing.
- ✍ They strive to give the clients the best solution.

- ✍ They only make promise that they can keep.
- ✍ They provide feedback on customer needs and suggestions to the production & R&D departments.
- ✍ They strive to retain the customer loyal for a long period of time.

7. Marketing department:

- ✍ They study the customer needs and wants in well-defined market segments.
- ✍ They allocate marketing effort in relation to the long term profit potential of the targeted segments.
- ✍ They develop winning offers for each target segment.
- ✍ They measure brand image and customer satisfaction on a continuous basis.
- ✍ Continuous gathering, analysing and evaluating about the product development.
- ✍ To motivate all company departments and employees to be customer centred.

8. Co-ordination with personnel department:

- The marketing manager depends heavily on the availability of HR for the ultimate success of the business.
- The HR dept should co-operate with marketing department by providing a strong marketing group.
- To develop and introduce proper training programmes for marketing personnel.

9. Co-ordination with legal department:

- There are various act, every marketing department is required to be duly complied with.
- For e.g. Trademark act, provisions act, copyright act, sales of goods act etc.,

12 Mark Questions:

1. Elaborate the factors which influenced in marketing concept with suitable examples.
2. Give detailed view about the Demographic and Economic environment of marketing with its segments.
3. Discuss the internal and external environment factors that affect the marketing operations of a company.
4. Discuss the opportunities and challenges faced by a marketer of consumer durables in the global environment.
5. What is marketing environment? What factors influence the internal and external environment?
6. List and explain the benefits of marketing mix elements.
7. Discuss the opportunities & Prospects for Indian Markets in the Context of global environment.
8. Explain how the external marketing environment has an impact on markets.
9. Discuss the Role Importance of marketing department with other functional areas in an organization.
10. Explain different types of environment that govern marketing.
11. Explain CRM and discuss importance of CRM in day to day business.
12. Discuss marketing strategies on Industrial products that would be suitable for marketing of motor cycles.
13. Discuss opportunities & challenges faced by a marketing of consumer durables in global environment.
14. What are requirements for market segmentation? explain
15. Discuss factors affecting consumer buying behaviour.

16. What are distinct characteristics of services Vs Goods? Explain the marketing mix components in services marketing?

UNIT- 2

2 Mark Questions:

1. What is meant by Marketing Strategy?

Marketing strategy of a firm is the complete and unbeatable plan or instrument designed specifically for attaining the marketing objectives of the firm.

- Marketing strategy is composed of a set of sub-strategies concerned with competition, segmentation (market positioning or market micro and target markets) pricing, promotion and distribution.

2. Define marketing strategy.

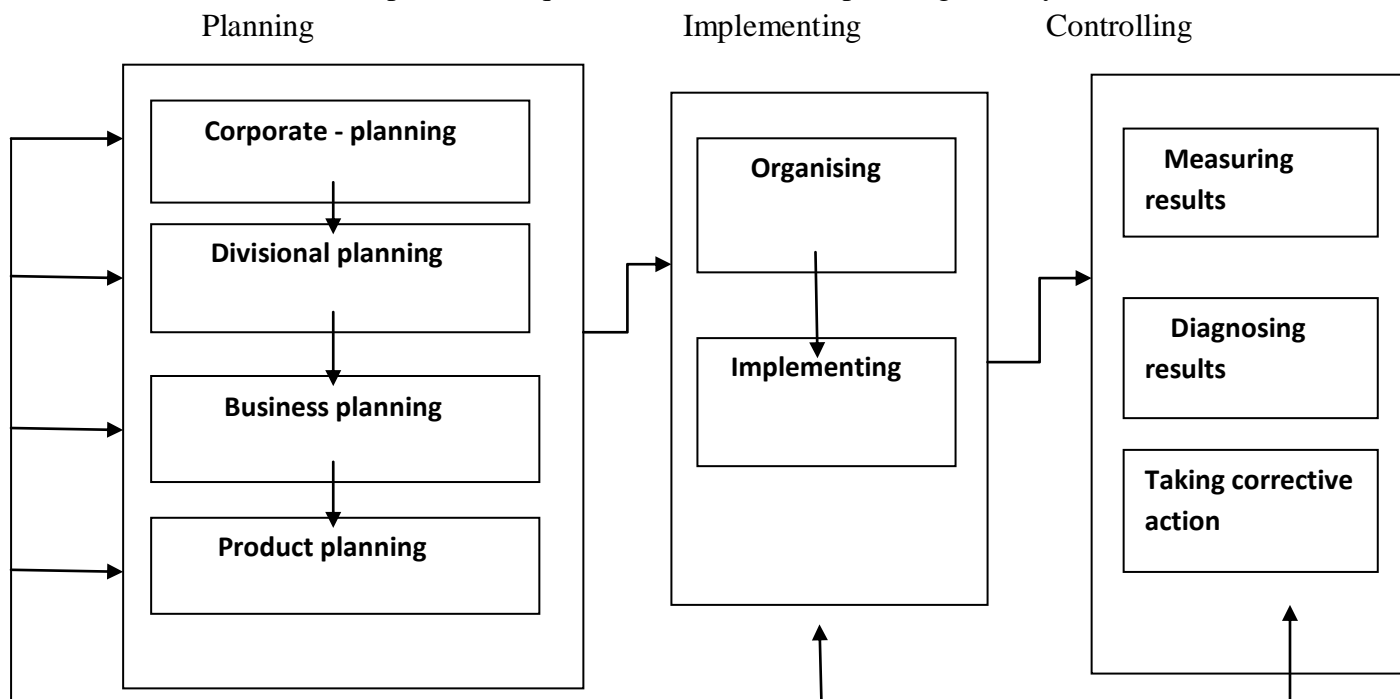
“Marketing strategy is a set of objectives, policies and rules that guide over time firm’s marketing efforts”. - **philip kolter**.

3. Short note on corporate strategy formation.

- ❖ They are four basic steps in the formulation strategy.
- ❖ Determination of corporate objectives. Viz, mission and corporate goals or objectives describing the central purpose of business.
- ❖ Generation of alternative business opportunities and option at our disposal.
- ❖ Selection of the best business opportunity or option.
- ❖ Implementation of the chosen line of action to capitalise the selected business opportunity

Corporate and divisional strategic planning:

All corporate headquarters undertake four planning activity



4. Define the corporate mission.

- To define its mission
- ✦ What is our business?
- ✦ Who is our customer?
- ✦ What is of value to the customer?

- ✦ What will our business be?
- ✦ What should our business be?

List out the characteristics of corporate mission. :

- ❖ They focus on a limited number of goals.
- ❖ Mission statement stress the company's major policies and values.
- ❖ They define the major competitive spheres within which the company will operate.

Spheres are:

- ✍ Industry
- ✍ Products and application.
- ✍ Competence – Range of technology
- ✍ Market segment
- ✍ Vertical – no. of. Channel levels, (from raw material to final product)
- ✍ Geographical – (region, country)
- ❖ The mission statement is that they take a long term view.
- ❖ A good mission statement is as short, memorable and meaningful as possible.

5. How to establish strategy business unit(SBU)?

- ✦ Large companies normally manage quite different business each requiring its own strategy.
- ✦ Generic electric has classified its business in to 49 SBC, SBUs

CHARACTERISTICS OF SBUs

- ❖ It is a single business, or a collection of related business, that can be planned separately from the rest of the company
- ❖ It has its own set of competitors.
- ❖ It has a manager responsible for strategy planning and profit performance, who controls most of the factors affecting profit.

6. How to assessing resources to each SBUs?

- ✦ Once it has defined SBUs , management must decide how to allocate corporate resources to each.
- ✦ Profit planning models introduced to provide an analytical means for making investment decisions.

Assessing growth opportunities:

There is a gap between future desired sales and projected sales, corporate management will need to develop or acquire new business to fill it.

The company first consider whether it could gain more market share with its current products in their current markets. Using market penetration strategy.

- ❖ Develop new market for its current products, in a market development strategy
- ❖ To develop new products of potential interest to its markets with a product- development strategy.
- ❖ To develop new products for new markets in a diversification strategy.

7. Brief notes on business unit strategy planning process.

Goal formulation:

- ✍ To develop specific goals for the planning period.
- ✍ This stage of the process is called goal formation.

- ✍ Most business unit pursue a mix of objectives, including profitability, sales growth, market share improvement, risk containment, innovation and reputation.
- ✍ The business unit set these objectives and then managers by objectives (MBO).

MBO system unit's objectives must meet 4 criteria:

- a. They must be arranged hierarchically, from the most to the least important (manager can increase profit by increase revenue and reducing experience)
- b. Objectives should be quantitative whenever possible (to increase the ROI)
- c. Objectives should be realistic
- d. Objectives must be consistent.

I. Strategic formulation:

- ✍ Goal indicates what a business unit to achieve.
- ✍ Strategy is a same plan for getting there.
- ✍ Every business must design a strategy for achieving its goals, consisting of a marketing strategy and a compatible technology and sourcing strategy.

8. Short notes on Porter's generic strategy.

Michael porter has porter three generic strategies that provide a good starting point for strategic think; These are

1. Overall cost leadership:

- ✦ This strategy work hard to achieve the lowest production and distribution cost, so they can price lower than competitors and win a large market share.
- ✦ They need less skill in marketing.

2. Differentiation:

- ✦ The firm seeking quality leadership, for the purpose of uniquely achieving the superior performance in an important customer benefit area.

3. Focus:

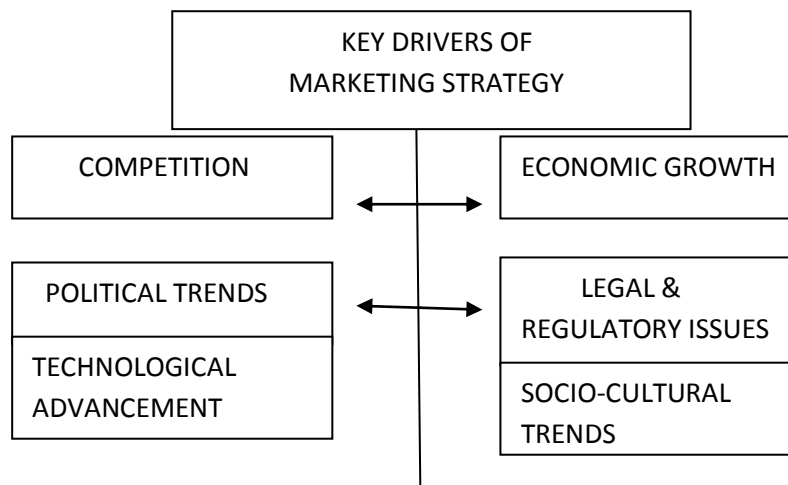
- ✦ The business focus on one or more narrow market segments.

Program formulation and implementation.

- ✍ According to, strategy is only one of seven elements all of which start with the letter "s", in successful business practice.
- ✍ The first three-strategy, structure and system are considered the hardware of success.
- ✍ The next four- style, skills, staff and shared value are the software.

Feedback and control:.

9. Draw the key drivers of marketing strategy.





1. Competition:

- ✍ When a firm defines the target markets it will serve, it simultaneously selects a set of competing firms.
- ✍ The current and future action of these competitors must be constantly monitored and hopefully, even anticipated.
- ✍ Most firms face four basic type of competition, which are as follows,

a) Brand competitors:

- ✦ Market product with similar features and benefit to the same customer at similar prices.

b) Product competitors:

- ✦ They compete in the same product class but with products that are different in features, benefits and price

c) Generic competitors:

- ✦ They market very different products that solve the same customer need

d) Total budget competitors:

- ✦ They compete for the limited financial resources of the same customer.

10. State the Competitive analysis progress.

1) Identification:

Identity all current and potential brand, product, generic and total budget competitors.

2) Characteristics:

Focus on key competitors by assessing the size, growth, profitability, objectives, strategies and target markets of each one.

3) Assessment:

Assess each key competitor's strength and weakness of other functional areas (marketing, R&D, production, HR & so on)

4) Capabilities:

Focus the analysis on each key competitor's marketing capability in terms of its products, distribution, promoting and pricing.

5) Response:

Estimate each key competitor's most likely strategies and response under differential situations as well as reaction to the firm's own marketing efforts.

11. What is Economic growth and stability?

A thorough examination of economic factors requires marketing manager to gauge and anticipate the general economic conditions of the nation, region, state and local area in which they operate. These general economic conditions include inflation, employment, and income levels, interest rates, taxes, trade restrictions, tariffs and the current and future stages of the business cycle.

12. Short notes on Political trends.

Most organisations should track political trends and attempt to maintain good relationship with the elected officials. Elected official who have negative attitude toward a firm or its industry are more likely to create or enforce regulations unfavourable for the firm.

13. What is meant by Legal and regulatory issues?

Legal and regulatory issues have close ties to events in the political environment. Numerous laws and regulations have the potential to influence marketing decisions and activities

14. Short notes on Technological advancement.

When most people think about technology, to think about new high-tech products such as wireless telephones, broadband internet access, medical breakthrough, or interactive television.

15. Socio-cultural trends.

Social and cultural influences that cause changes in attitude, beliefs, norms, customs, and lifestyles.

16. Short notes on strategies for consumer marketing.

The term market refers to the group of consumer or organisation that is interested in the product, has the resources to purchase the product, has the resources to purchase the product, and is permitted by law and other regulation to acquire the product.

There are two kinds of markets:

Consumer markets :(CM)

- CM is those that consists of the ultimate consumers of the product or services for personal use.
- This market meant for mass consumption consumer
- Individual consumers buy household goods from retailers for their own consumption.
- Consumers are alike in their taste, preference and buying habits due to different characteristics that can distinguish certain consumers from others.
- Consumer characteristics include various demographical traits.

17. List out the characteristics of consumer market.

1. Demographic characteristics:

- ❖ Demographic characteristics include differences in gender, age, ethnic background, income occupation, education, household size, religion, generation, nationality and even social class.

2. Psychographic characteristics(PC):

- ❖ P.C consumer includes interest, activities, opinions, values, and attitude

For e.g. Prenatal magazine expectant mother more about caring for a baby.

3. Behavioural characteristics :

- ❖ It includes product usage rate, brand loyalty, user status or how long they have been a customer, and even benefits that consumer seek.

4. Geographic characteristics:

- ❖ These geographic characteristics are often based on market size, region, population, density and even climate, according to the article “market segmentation”.

18. List out the Types Of Consumer Market.

a) Consumer product market:

Market for different consumer products

This includes market for consumer durables, FMCG (Fast Moving Consumer Goods), consumer electronic goods, domestic electrical appliances, cosmetics, jewellery, furniture, air conditioners, bicycle and apparels. To shift from one brand to another very quickly

White goods include household appliances, such as, Water Heater, Refrigerator, Clothes Dryer, Air Conditioner, Dish Washer, Microwave Oven, Washing Machine etc. In the modern

period, these products are available in a variety of decorator colours. White goods do not include the entertainment appliances, such as, Televisions, Home cinema, Camcorders, CD, and DVD players. These products are included in the **Brown goods category**. Major Players The major players in the White goods sector are LG Electronics India Ltd., Samsung India, Whirlpool, and Videocon.

Practical skills are needed to maintain White goods and heavy tools are required to repair them, while Brown goods require high technical knowledge, in service area.

19. What is meant by Food and beverage market?

This market consist of the sub markets like markets for dairy products, bakery products, packaged, confectionery, beer, meat and poultry products. Consumer awareness and brand loyalty of customers help this market to grow to a different high.

20. What is retail Market?

The retail market comprises of the supermarkets, departmental stores, food chain outlets, speciality stores, and franchise stores. It is discovering new business opportunities with each passing day because of the rapidly changing lifestyle and spending pattern of the people.

21. Short notes on Transportation service market.

This type consumer market consists of postal service, courier services and logistics services. Transportation service market is generally dominated by large no. of. Medium and small enterprise and few no. of large enterprises In this type of market essentially requires brand name and strong distribution network and significant amount of capital investment.

22. What are the different strategy for consumer marketing?

1) Market campaigns:

Publicity always helps reach the target in terms of creating awareness of the features and unique supply products of the products.

2) Online advertising:

To create product awareness among the potential consumers using this internet marketing technique.

3) Extraordinary USP

This is one dominant factor that decides the success rate of marketing, especially when it comes to B2C marketing. Create impression that the competitors cannot give anyone what other can

4) Direct marketing:

Company and customer three key elements are,

Interactive system:

Two- way communication between marketer and customer. Measurability of response: The response rate to the marketer's communication.

Transactions at any location:

Not location specific, he/she can establish a contact through mail, phone, fax or the internet.

Word – of- mouth:

It use the person to person communication of satisfied. Social & business network and communities.

Personal selling:

Selling may be personal or impersonal. It is a costly, two ways (or) mutual communication.

Relationship marketing:

Relationship marketing is the process of building long term, trusting, and win win relationship with customers, distributors, dealers and suppliers

Relationship marketing promise and deliver higher quality, efficient service and fair price to other party.

Scarcity and undercover marketing:

Creates a perception of a shortage which aim to entire customer to purchase out of fear that they may not be able to get it in the future.

23. Short notes on strategy for industrial marketing.

Business marketing is also referred as the industrial marketing or B2B marketing.

Business marketing may be defined as the marketing of product services and solutions to organisation such as big enterprises, government department, and institutions.

Industrial products and services are typically used in the production of the other consumption-related products and services, either for the end –consumer or for organisational use.

Business marketing is also called business to business (B2B) marketing or organisational marketing (or) industrial marketing.

Industrial organisations tend to solve the technical problems which should be viewed from the perspective of the customer.

Customer benefits and need satisfaction, rather than the physical product, should be the center of attention.

The word “industrial” means machinery run by power to produce goods and services.

24. List out the different strategies for industrial marketing.

B2B BRANDING:

B2B branding is different from B2B in some crucial way, including the need to closely align corporate brand, divisional brand and product/service brand & apply the brands standards.

B2B branding consists of five things:

Product (or) service: Business customers are focussed on creating shareholder value. Cost-saving or revenue producing benefits of products & services are important factors.

People (target market): To have good business intelligence in order to increase response rate. How they value, what they are buying.

Pricing: The price premium is particularly achievable if individual support it with a strong brand.

Business / industrial advertising: Business advertising is also known as business to business or B2B advertisements . Industrial advertising is the strategy of attracting the attention of another business and convincing that company to purchase goods & service offered by another business.

Trade shows: To meet many potential customer face – to- face in a brief period of time inexpensively.

Place(sale & distribution): Sale force is important in the business market.

B2b marketing communication methodology:

- The purpose of B2B marketing communication is to support the organisation sales effort and improve company profitability.
- B2B marketing communication includes advertisement, direct mail, trade show, branding, website design, and searcher engine.
- B2B marketing communication founded in 1992 and offers certificate programme, researcher services, conferences, industry awards & training programs.

25. What are the various aspects of b2b marketing communication methodology?

- a) Positioning statement – development of the position.
- b) Developing the message:
To convey the message to customer very strongly.

- c) Building a campaign plan:
To support each stage of the marketing process
- d) Briefly an agency:
Elements to an agency brief are objectives, target market, target audience, product, the product positioning, corporate guidelines and supporting material and distribution.
- e) Measuring results:

26. Write short notes on strategies for service marketing.

- A service is the non-material equivalent of a good. A service provision is an economic activity that does not result in ownership, and this is what differentiates it from providing physical goods. A change in their physical possessions, or a change in their intangible assets.

27. Define Services marketing. List out the aspects of services marketing.

Service are deeds, processes and performance”. Here, deeds are the actions of the service provider, processes are the steps in the provision of service, and performance in the customer understanding of how the service has been delivered.

Two aspects of service marketing strategies:

1. **Shifting customer relationship:** In many service industries such as airlines, banks, stores, and hostels, customer satisfaction in the United States has actually dropped in recent years. Many customers find their complaints never actually successfully reach a live human being because of slow or faulty phone or online customer service.

Types of relationship strategy:

- a. **Profit tiers:** Customer in high profit tiers get special discounts, promotional offers, and lots of special service; Customer in lower – profit tiers may get more fees, stippled – down, and voice message to process their inquiries.
- b. **Customer empowerment:** Most important, the internet has empowered customers by letting them vent their rage about bad service – or reward good service- and have their comments beamed around the world with a mouse click.
- c. **Co – production :**

2. Holistic marketing for services:

Holistic marketing for services requires external, internal, and interactive marketing.

- External marketing: Making promises
- Internal marketing : Enabling promises
- Interactive marketing: Keeping promises.

28. Write Short Notes competitors analysis.

- competitor’s analysis in marketing and strategic management is an assessment of the strength and weakness of current and potential competitors.
- This analysis provides both an offense and defense strategic context through which to identify opportunities and threats.
- Competitor’s profiling of the relevant sources of competitors analysis into one framework in the support of efficient and effective strategy formulation, implementation, monitoring and adjustment.

29. List out the Primary activities of competitor’s analysis.

- Obtaining information about important competitors
- Using that information to predict competitor behavior.

30. What are the various purpose of competitor analysis?

To provide a comprehensive picture of the strength and weakness of current and potential competitors to identify opportunities and threats for the organization.

The four main objectives are,-

- Identify competitor's future plans and strategies.
- Predict competitor's likely reactions to competitive initiatives.
- Determine the match between a competitor's strategy and its capabilities
- Understand a competitor's inabilities or weakness.
- To understand with which competitor's to compete.
- To understand ho competitor's might react to a firm's actions.

31. Draw The Framework Of Competitors' Analysis.

This framework is based on the following 4 key aspects of a competitors.

1. Competitors objectives
 2. Competitor's assumptions
 3. Competitor's strategy
 4. Competitor's resource and capabilities.
1. **Competitors objectives:** It may be financial or other types. For example: Growth rate, market share and technology leadership. Goals may be associated with each hierarchical level of strategy – corporate business unit and functional level.
 2. **Competitor's assumptions:** It may be based on a number of factors, including any of the following:
 - Belief's about its competitive position.
 - Past experience with a product.
 - Regional factors
 - Industry trends
 - Rule of thumb.
 3. **Competitor's current strategy:** Two main sources information about a competitor's strategy are “what the competitor's says” and “what it does”.

What a competitor is saying about its strategy is revealed in:

- ✓ Annual shareholder reports
- ✓ Interview with analysis.
- ✓ Statement by managers.
- ✓ Press releases.

Actually the competitor's activities are

- ❖ Hiring activity
- ❖ R & D projects
- ❖ Capital investments
- ❖ Promotional campaigns
- ❖ Strategic partnership
- ❖ Mergers and acquisitions.

4. **Competitor's resources and capabilities:** Its resources and capabilities determine its ability to respond effectively. A competitor's capabilities can be analyzed according to its strength and weakness in various functional areas, as is done in a SWOT analysis.

32. What is meant by competitor profiling?

- ❖ Information from an analysis of the competitor's objectives, assumptions, strategy and capabilities can be compiled into a response profile of possible moves that might be made by the competitor.
- ❖ This profile includes both potential offense and defense moves.
- ❖ The specific moves and their expected strength can be estimated using information gleaned from the analysis.

A common technique is to create detailed profiles on each of our major competitors.

1) Background :

- Location of offices, plants and online presences.
- History – key personalities, dates, events and trends.
- Ownership, corporate governance and organizational structure.

2.Financials:

Various financial ratios, liquidity and cash flow.

- Profit growth profile, method of growth.

3.Products: Products offered, new product developed.

4.Marketing:

- Segments served, market share.
- Promotional mix, promotional budget.
- Distribution channels used.

5.Facilities:

- Plant capacity, capacity utilization rate,
- Location, shipping logistics

6.Personnel:

- Number of employees,
- Compensation benefits.

33. list out the five forces model for competitor's analysis.

1. Rivalry Inside the Industry(Exit barriers, Industry growth).
2. Threat of substitute(Switching cost, Price performance).
3. Bargaining power(Buyer volume. Brand loyalty).
4. Bargaining power of supplier(Supplier concentration, Presence of substitute inputs)
5. Threat of new entrants(Access to inputs, Govt policy).

34. What Are The Sources Of Information For Competitor's Analysis?

- 1.Recorded data: (Annual report, press release)
2. Observable data: (Pricing / price list), Promotions),.
3. Opportunity data: (Trade shows, sales force meetings.)

Steps in competitors analysis:

1. Defining competitors
2. Analysis of competitors strength and weakness
3. Analysis of internal strength and weakness
4. Analysis of customer needs and wants
5. Studying impediments to market for us and out competition.
6. Building strategic plans to improve marketplace position.

35. Differentiate consumer market and Industrial market.

Analysis of consumer markets:

- The aim of marketing is to meet and satisfy target customer need wants better than competitors.
- Marketers are always looking for emerging customer trends that suggest new marketing opportunities.
- For example: the emergence of mobile phone.
- Analysis of consumer market involves understanding consumer buyer behavior, consumer roles, factors influencing consumer behavior and other psychic process take place into consumer's mind.

ANALYSIS OF INDUSTRY MARKETS

- Business organization do not only sell; they also buy vast quantities of raw material, manufactured markets, plants and equipment, suppliers and business services.
- Sellers need to understand these organization needs resources, policies, and buying procedures.
- Some of the world's most valuable brand belong to business marketers. ABB, CATEPILLER, IBM, INTEL, .
- Many principles of basic marketing also apply to business marketers.
- The problem faced by a company marketing its product to large manufacturing plants,, to the building market. And other industrial are quite different from those faced by companies manufacturing products consumed by the general public.

36. What is meant by marketing mix?

Marketing mix means to collect and mix the resources of marketing in the manner that objects of the enterprise may be achieved and maximum satisfaction may be provided to the consumers.

37. Define marketing mix.

Marketing mix refers to the appointment of efforts, the combination, the designing and the integration of the elements of marketing into a programme or mix which, on the basis of an appraisal of the market forces will best achieve an enterprise at a given time.

Analysis of marketing mix strategies:

1. Product strategies: How will you design, package and add value to the product?
2. Price strategies: What pricing strategy is appropriate to use.
3. Place strategies: Where will the firm locate?
4. Promotion strategies: How will the firm promote its product?

38. List out the Strategies components of marketing mix(4 P's).

Marketing mix is the combination of the product, the distribution system, the price structure and the promotional activities.

1. Product:

- The product itself is the first element.
- Product satisfy consumer needs.
- The management must, first decide the products to be produced, by knowing the needs of the consumers.
- The product mix combines the physical products, product services, brand and package.
- Not only the production of right goods but also their shape, design, style, brand, package etc. are of importance.

The marketing authority has to take a number of decisions as to product additions, product deletions, and product modification, on the basis of marketing information.

2. Price:

- To affect the volume of sales is the price.
- The marked or announced amount of money asked from a buyer is known as basic price value placed on a product.
- Basic price alterations may be made by the manufacturer in order to attract the buyers. This may be in the form of discount, allowances, etc.,
- Price should be charged for the product is a very crucial question, several factors – Economic, social, political, and other factors- influencing the pricing decision.

General types of problem faced by pricing situations:

- Introducing a new product and it is to fix the price.
- To consider initiating a price change(circumstances).
- When competition forces the firm to initiate a price change.
- Company produces several products that have interrelated demand and / or costs.

2. Promotion:

- The product may be made known to the consumers.
- Firms must undertake promotion work- advertising, publicity, personal selling etc.,
- The public may be informed of the products and be persuaded by the customers.
- Promotion is the persuasive communication about the products by the manufacturer to the public.

3. Place:

- Place refers to having the right product, in the right location, at the right time to be purchased by consumers.
- This proper placement of product is done through middle people called the channel of distribution.

Three basic utilities :

- **Time utility:** It refers to having a product available at the time that will satisfy the needs of consumers.
- **Place:** When a firm provides satisfaction by locating products where they can be easily acquired by consumers
- **Possession:** That wholesalers and retailers in the channel of distribution provides service to consumers with as few obstacles as possible..

39. What are the Factors affecting marketing mix?

Marketing mix can be divided into the category of controllable and uncontrollable factors as shown in figure ahead.

1. Controllable factors:

- **Product planning:** Product planning is the act of making and supervising the search, development and commercialization of new products, modification of existing lines and the discontinuance of marginal or unprofitable items.
- **Brand policy:** It includes decisions regarding trademarks and brand name because it influence the sale volume of the product of the company.
- **Packaging policy:** The marketing manager is to decide whether product should be sold loose or in packs.

Purpose of packaging:

- ✓ Protection of merchandise

- ✓ Enhancement of the product value.
- ✓ Advertising of the product.
- Personal selling: It is good to increase the sale the sale and at the same time to know the consumer's need and desire.
- Special sale promotion policy: The business should provide for the special sales promotion campaigns as a part of its sales- promotion policy to increase the sale of the company.
- Physical distribution: Creation of demand is not sufficient. The marketing manager must plan the supply of the product in accordance with the needs of the public of tend different markets.
- Market research: MR is a system by which one can analyze the market conditions. It helps a marketer in formulating the policies by which the product reaches in an efficient way in the hands of the consumers.

12 Mark Questions:

1. Elaborate the characteristics of marketing strategy.
2. Elucidate the components of strategic Marketing mix.
3. Explain the criteria for market segmentation with suitable example.
4. What are the qualities required for a successful market positioning. Explain with examples.
5. Explain customer Relationship marketing and discuss the importance of CRM in the Modern day business.
6. Discuss the marketing strategies on industrial products that would be suitable for marketing of high end fashion garments.
7. There are no fundamental differences between the marketing of industrial and consumer goods. Discuss.
8. Explain in detail the services marketing mix with examples.
9. What are requires of market segmentation?
10. Discuss the basis of segmentation of consumer product.
11. What are the challenges faced in domestic & global marketing?
12. How is Maslow's Hierarchy of needs related to sales force motivation.
13. Explain strategies marketing mix components, to sell high quality.

UNIT – III : PRODUCT PLANNING AND DEVELOPMENT

2 Mark Questions:

1. Define Product.

A Product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. It includes physical objectives, services, persons, places, organizations and ideas.

2. Define product planning.

Product planning is the “Act of marketing and commercialization of new products , the modification of existing lines and the discontinuance of marginal or unprofitable items. Three considerations are,

- ✓ The development and introduction of new products.
- ✓ The modification of existing line to suit the changing consumer needs and preferences, and
- ✓ The discontinuance or elimination of unprofitable products.

3. What is Product development?

Product development and product planning are often used in confused way. Product planning is wider in its scope and covers product development also. Product development is concerned with the technical activities of product research, engineering and design.

4. What is Meant by Product diversification?

- When a manufacturer or a distributor deals in more than one product, it is known as product diversification. This diversification is also known as product line expansion. Diversification or expansion includes, introducing an altogether new product or adding different sizes of the existing product.

5. List out the Objectives of diversification.

- To use more effectively the existing selling and distribution facilities.
- To meet consumer requests, particularly in case of industrial goods.
- To take advantages of the existing reputation.
- To increase the sale of existing products.
- To meet the needs of the distribution channels.

6. What are the need for new product development?

Increase consumer selectivity: consumer have become more selective in their choice of products. **Product life cycle :** Each products has a lifecycle. **Product is a basic profit determinant:** New product generally increases the volume of turnover and consequently the volume of profit. **New product are essential to growth:** Business concern has to perform only these tow basic functions, such as marketing and innovating. **Resources and environmental considerations:** Our natural resources which constitute the basic raw material for products are very much limited.

7. What is new product?

They are genuine innovations or slight modifications of the existing products. The newer of the product is the result of combining characteristics of product already in existence.

8. What are the different categories of new products?

- **Innovative products:** Really unique products. Products that are quite different from existing products but satisfy the same needs also come under this category. For example: television replace radio, solar power replaced other energy sources.
- **Significantly different from existing product:** Instant coffee replaced coffee power. Washing powder replaced by bar, now liquid.
- **Imitative products:** which are new to a particular company but not new to the market. The company tries this new product only with a view to get share of the existing market f a product of another company. Various companies market glucose, vitamin tablets etc.,

9. what are the different factors to be considered before introducing a new product?

Several factors are to be considered before introducing a new product both by the producer and the middlemen.

Manufacturer's criteria for new products:

1. Enough demand.
2. Suitable for current environment
3. Suitable to the presence structure.
4. Production fit
5. Financial considerations.

6. No legal objections
7. Managerial considerations.
8. Company's image and objectives.

Middlemen's criteria for new products:

1. Relationship with the producer
2. In store policies and practice.

10. Draw the Stages in the Development Process.

1.Idea search: New product are born from ideas. New ideas may also come from unexpected sources. The consumer can also suggest new ideas.

2.Screening of ideas: All new ideas cannot be convert into products, as it requires heavy capital investments. They should be screened and all unworkable ideas should be deleted.

3.Business analysis: The new product idea is expanded into concrete business proposal. The management should perform the following,

- Identify product features.
- Estimate market demand and product profitability
- Establish a programme to develop the product.
- Assign responsibility for further study of the product feasibility.

4.Prodcut development: Under this stage, idea in paper is converted into a physical product. Laboratory test and other technical evaluation necessary to determine the production feasibility of the product are made.

5.Market testing: Design and production factors may have to be readjusted as a result of test findings. At this point, the management must take a final decision regarding whether to market a particular product or not.

6.commercialisation: full scale production and marketing programmes are planned and then the product is launched. Up to this point, the management has complete control over the product. Once the product is born and enter into this life cycle, the management . ‘

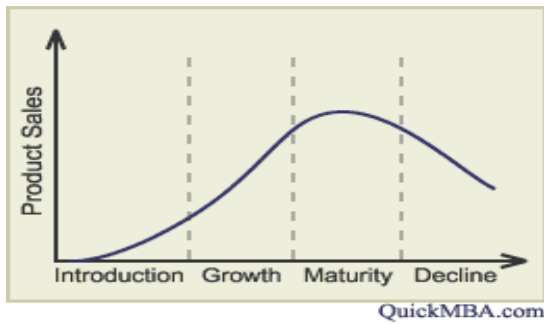
Reason for failure of a product:

- 1.Inadequate market analysis
2. Product deficiencies
3. Lack of effective marketing effort.
4. Higher cost than anticipated
5. competitive strength or action
6. Improper timing of introduction
7. Technical or production problems.

11. Draw the Product life cycle.

A new product progresses through a sequence of stages from introduction to growth, maturity, and decline. This sequence is known as the product life cycle and is associated with changes in the marketing situation, thus impacting the marketing strategy and the marketing mix.

The product revenue and profits can be plotted as a function of the life-cycle stages as shown in the graph below:



Introduction Stage: In the introduction stage, the firm seeks to build product awareness and develop a market for the product. The impact on the marketing mix is as follows:

- Product branding and quality level is established, and intellectual property protection such as patents and trademarks are obtained.
- Pricing may be low penetration pricing to build market share rapidly, or high skim pricing to recover development costs.
- Distribution is selective until consumers show acceptance of the product.
- Promotion is aimed at innovators and early adopters. Marketing communications seeks to build product awareness and to educate potential consumers about the product.

Growth Stage : In the growth stage, the firm seeks to build brand preference and increase market share.

- Product quality is maintained and additional features and support services may be added.
- Pricing is maintained as the firm enjoys increasing demand with little competition.
- Distribution channels are added as demand increases and customers accept the product.
- Promotion is aimed at a broader audience.

Maturity Stage: At maturity, the strong growth in sales diminishes. Competition may appear with similar products. The primary objective at this point is to defend market share while maximizing profit.

- Product features may be enhanced to differentiate the product from that of competitors.
- Pricing may be lower because of the new competition.
- Distribution becomes more intensive and incentives may be offered to encourage preference over competing products.
- Promotion emphasizes product differentiation.

Decline Stage

As sales decline, the firm has several options:

- Maintain the product, possibly rejuvenating it by adding new features and finding new uses.
- Harvest the product - reduce costs and continue to offer it, possibly to a loyal niche segment.
- Discontinue the product, liquidating remaining inventory or selling it to another firm that is willing to continue the product.

The marketing mix decisions in the decline phase will depend on the selected strategy. For example, the product may be changed if it is being rejuvenated, or left unchanged if it is being harvested or liquidated. The price may be maintained if the product is harvested, or reduced drastically if liquidated.

The main stages of the product life cycle are:

- Introduction – researching, developing and then launching the product
- Growth – when sales are increasing at their fastest rate
- Maturity – sales are near their highest, but the rate of growth is slowing down, e.g. new competitors in market or saturation
- Decline – final stage of the cycle, when sales begin to fail

12. Write short notes on Limitations of the Product Life Cycle Concept.

The term "life cycle" implies a well-defined life cycle as observed in living organisms, but products do not have such a predictable life and the specific life cycle curves followed by different products vary substantially. Consequently, the life cycle concept is not well-suited for the forecasting of product sales. Furthermore, critics have argued that the product life cycle may become self-fulfilling. For example, if sales peak and then decline, managers may conclude that the product is in the decline phase and therefore cut the advertising budget, thus precipitating a further decline. Nonetheless, the product life cycle concept helps marketing managers to plan alternate marketing strategies to address the challenges that their products are likely to face. It also is useful for monitoring sales results over time and comparing them to those of products having a similar life cycle.

13. List out the Extension strategies of product life cycle.

extend the life of the product before it goes into decline. Again businesses use marketing techniques to improve sales. Examples of the techniques are:

- Advertising – try to gain a new audience or remind the current audience
- Price reduction – more attractive to customers
- Adding value – add new features to the current product, e.g. video messaging on mobile phones
- Explore new markets – try selling abroad
- New packaging – brightening up old packaging, or subtle changes such as putting crisps in foil packets or Seventies music compilations

14. What is market segmentation?

Market segmentation is the identification of portions of the market that are different from one another. Segmentation allows the firm to better satisfy the needs of its potential customers.

15. Define Market segmentation.

Market segment re grouping of consumers according to such characteristics as income, age, degree of urbanization, race or either classification, geographic location or education.

16. Write short notes on Need for Market Segmentation

The marketing concept calls for understanding customers and satisfying their needs better than the competition. But different customers have different needs, and it rarely is possible to satisfy all customers by treating them alike.

Mass marketing refers to treatment of the market as a homogenous group and offering the same marketing mix to all customers. Mass marketing allows economies of scale to be realized through mass production, mass distribution, and mass communication. The drawback of mass marketing is that customer needs and preferences differ and the same offering is unlikely to be viewed as optimal by all customers. If firms ignored the differing customer needs, another firm likely would enter the market with a product that serves a specific group, and the incumbent firms would lose those customers.

Target marketing on the other hand recognizes the diversity of customers and does not try to please all of them with the same offering. The first step in target marketing is to identify different market segments and their needs.

17. List out the Requirements of Market Segments.

In addition to having different needs, for segments to be practical they should be evaluated against the following criteria:

- **Identifiable:** the differentiating attributes of the segments must be measurable so that they can be identified.
- **Accessible:** the segments must be reachable through communication and distribution channels.
- **Substantial:** the segments should be sufficiently large to justify the resources required to target them.
- **Unique needs:** to justify separate offerings, the segments must respond differently to the different marketing mixes.
- **Durable:** the segments should be relatively stable to minimize the cost of frequent changes.

A good market segmentation will result in segment members that are internally homogenous and externally heterogeneous; that is, as similar as possible within the segment, and as different as possible between segments.

18. List out the Bases for Segmentation in Consumer Markets.

Consumer markets can be segmented on the following customer characteristics.

Geographic Segmentation

The following are some examples of geographic variables often used in segmentation.

- **Region:** by continent, country, state, or even neighborhood
- **Size of metropolitan area:** segmented according to size of population
- **Population density:** often classified as urban, suburban, or rural
- **Climate:** according to weather patterns common to certain geographic regions

Demographic Segmentation

Some demographic segmentation variables include: Age, Gender, Family size, Family lifecycle, Generation: baby-boomers, Generation X, etc, Income, Occupation, Education, Ethnicity, Nationality, Religion, Social class.

Psychographic Segmentation

Psychographic segmentation groups customers according to their lifestyle. Activities, interests, and opinions (AIO) surveys are one tool for measuring lifestyle. Some psychographic variables include: Activities, Interests, Opinions, Attitudes, Values

Behavioralistic Segmentation

Behavioral segmentation is based on actual customer behavior toward products. Some behavioralistic variables include: Benefits sought, Usage rate, Brand loyalty, User status: potential, first-time, regular, etc. Readiness to buy, Occasions: holidays and events that stimulate purchases. Behavioral segmentation has the advantage of using variables that are closely related to the product itself. It is a fairly direct starting point for market segmentation.

Bases for Segmentation in Industrial Markets

In contrast to consumers, industrial customers tend to be fewer in number and purchase larger quantities. They evaluate offerings in more detail, and the decision process usually involves more than one person. These characteristics apply to organizations such as manufacturers and service providers, as well as resellers, governments, and institutions.

Many of the consumer market segmentation variables can be applied to industrial markets. Industrial markets might be segmented on characteristics such as:

Location : In industrial markets, customer location may be important in some cases. Shipping costs may be a purchase factor for vendor selection for products having a high bulk to value

ratio, so distance from the vendor may be critical. In some industries firms tend to cluster together geographically and therefore may have similar needs within a region.

Company Type: Business customers can be classified according to type as follows: Company size, Industry, Decision making unit, Purchase Criteria.

Behavioral Characteristics

In industrial markets, patterns of purchase behavior can be a basis for segmentation. Such behavioral characteristics may include: Usage rate, Buying status: potential, first-time, regular, etc. Purchase procedure: sealed bids, negotiations, etc.

19. what are the different alternative strategies towards market segmentation?

1. **Market segmentation** : Under this strategy , a firm's total market is divided into so many sub-markets on certain basis for the purpose of differentiating prices, production etc.,
2. **Market aggregation:** Only a single product is produced and offered to the entire market. Changes are made in promotional variables, price etc., but no changes is made in the product itself. The main advantage of market aggregation is that only a single product is produced and offered, it enjoys all the economies in large scale production.
3. **Concentrate marketing:** It refers the concentration of its marketing efforts in a few areas so as to gain a good market position in those areas. This method is suitable for introducing a new product.

20. list out the elements of market segmentation.

1. Availability of enough resources
2. Characteristics of product
3. Various stages of a product life cycle.
4. Market strategies of competitors.

21. Define targeting.

A group of customers at whom the organization specially intends to aim its market effort. In which the seller distinguishes the major market segments; targets on or more of these segments and develops products and marketing programmes tailored to each selected segments.

22. Explain the Steps in Market targeting.

1. Evaluating size and growth,
2. Segment structural attractiveness, and
3. Company objectives and resources

I. Evaluating the market segments:

1. **Segment Size And Growth** : While selecting the segment, firm should see whether the potential segments has the right size and growth characteristics. Tight size is a relative term. Large firm prefer with large sales volumes and often avoid small segments. Small firms prefer small segments' rather than large segments. All the firms desire it because it facilitates growing sales and profits.
2. **Segment structural attractiveness:** The segments should attractiveness. There are 5 forces that determine the intrinsic long run profit attractiveness of a market or a segment. They are, (i) Industry competitors (ii) Potential entrants (iii) Substitutes (iv) Buyers (v) Suppliers.
3. **Company objectives and resources:** the evaluation of market segments is its on objectives and resources. Company should not see whether the segments fits the

company objectives but also see whether the company possess the requisite skills and resources to succeed in that segments. Each segment has certain success requirements. The segment should be accepted only if the company possess requisite competencies.

II. Selecting the market segments:

1. **Single segment concentration** : The company selects one of the various segments and concentrate thereon.
2. **Selective specialization** : The firm selects a number of appropriate and attractive segments. This is called multi-segment strategy and has the merit of diversification of firm's risk. If this strategy is adopted, even if one segment become unattractive, the firm can continue to earn money in other segments.
3. **Product specialization**: the firm concentrate on the production of a certain product and sells in to several segments. This type of strategy enables the firm to build up a strong reputation in the specific product area.
4. **Market specialization**: In this pattern, the firm concentrates on satisfying the needs of a particular group of customers.
5. **Full market coverage**: In this case, the firm tries to serve all customers groups with all the production that they might need. This is possible only in case of large firms.

23. What is market positioning?

“Positioning starts with a product. A Piece of merchandise, a service, a company, an institution, or even a person”.

24. List out the various Positioning strategies.

1. **Positioning on a product attributes**: The marketer can position its product on specific product attributes. Examples are : BPL features technical and performance attributes, Vijay T.V., advertises it as Asian Tamilian's first satellite T.V and so on.
2. **Positioning on Benefits**: Products can be positioned on the needs they fill or benefits they offer. Examples: Colgate reduces cavities, Clininc All clear shampoo clears dandruff, and Kens kill lice.
3. **Positioning according to usage occasions**: Another way of positioning the product is as per usage occasions. This is, products can be positioned for specific usage occasions.
for example: Wedding saris, reception suits etc.,
4. **Positioning the product for certain classes of users**: Another approach is to position the product for certain classes of users. Certain cine films released as adults only films, as films for children, etc. similarly, certain publishers are concentrating only on comic series publication to suit the needs of the children.
5. **Positioning directly against a competitor**: A product can be positioned directly against a competitor. In its “dare to compare campaign”, Texas Instruments asked its consumer to make side by side comparisons of its personal computer with that of IBM's. It attempted to apposition the product as easier to sue and more versatile.
6. **Positioning away from competitors**: A product may also be positioned away from competitors. 7-up became the number -three soft drink when it was positioned as the “un-cola”, the fresh and thirst quenching alternative to coke and pepsi.
7. **Positioning as to different product class**: Finally, the product can be positioned with respect to different product classes. For example, mediker shampoo is positioned with lice clear means rather than with shampoo.

25.What is meant by price?

The exchange value of a product or service is expressed in terms of money , it is called price. The price of a product influences the price paid for the factors of production namely, land , labour, capital and entrepreneurship.

26.What are the various Objectives of pricing decisions?

1. **Ensuring target return:** Business requires capital for making both capital and revenue expenditure. When a trader invests capital in a business, he determines the probable return of his investment.

2.**Market share: A good market** share is the best indicator of progress. Market share and return on investment are closely related because a larger market share will increase profitability due to greater economies of scale, market power etc.,

3. **Preventing competition:** Meeting competition is one of the most important objectives of pricing particularly if the product is introduced in a competitive market. In such a case, a low price policy can attract customers and can get a good market share.

4. **Maximizing the profit:** Each business concern is running with an idea of maximizing the profits, which can be enjoyed only where monopolistic situation exists. Besides, profit maximization will create an unhealthy image about the concern.

5. **Stability the price:** some companies seek to keep their price relatively stable over long periods, hoping to even out cyclic price fluctuations. A stable price policy can win the confidence of the public.

6. **Ability of the customers:** Sometimes, price decisions may be taken according to the ability of the customers to pay for the products. Generally, doctors, lawyers, etc., adopt this type of policy.

7. **Resource mobilization :** The products are priced in such a way to make use of all available resources for the expansions etc., of the concern.

27.What are the different Factors influencing pricing decisions?

1.Objectives of business	2.cost of the product	3.Market demand	4. Price of competitors
5.Distribution channels	6. government policy	7. Economic environment	8. Stages in product life cycle
11. Promotional strategy		12. Buyer psychology and behaviour	

1. **Objectives of business:** there may be different objectives of the firm namely, target return, market share, and stabilizing the price.
2. **Cost of the product:** Prices will not be less than cost of its manufacture and it will be fixed in such a way to cover the entire cost of the product and to give a reasonable profit to the manufacturer.
3. **Market demand:** If the consumer feels the value of the product worth the price, he will buy. Otherwise, he will refuse to buy. Therefore, consumer satisfaction is another important factor, which influences the pricing decision.
4. **Prices of competitors :** Manufacturer while fixing prices for their products should first consider the competitive conditions prevalent in the market. He should also consider the prices fixed and quality maintained by the competitors for their goods.
5. **Distribution channels:** Another factor, which influences pricing decision, is distribution channel policy. Normally, the prices fixed will be higher if the company

chooses lengthy distribution channel because compensation for the services rendered by each such middlemen in the distribution channel must be included in the ultimate price. If the channel is short, prices fixed will also be lower.

6. **Government policy:** Government may announce a general policy regarding pricing of goods or enact legislations to arrest the inflationary trend in prices of certain products. In such cases, management should follow the public policy strictly while fixing prices for its products.
7. **Stages of product life cycle:** Price reductions become key factor in securing further market expansions. Hence, competitors introduce new models or product differentiation to get new users.
8. **Promotional strategy:** If a manufacturer, for example uses massive advertising to “pull the product through the channel”, he will probably allow somewhat less than normal gross margins to middlemen.
9. **Economic environment:** The economic environment of the country also affects the pricing decisions. During depressions periods, the price are reduced so as to maintain the sales level and during periods of boom, the prices are increased to cover the highest cost of manufacture.
10. **Buyer psychology and behavior:** The effectiveness of relative price as an aid in making sales varies with buying psychology and behavior. Buyers shopping for “high” fashion items often regard their prices as of secondary importance.

28. list out the various process of price determination of a product.

1. Selecting the pricing objective
2. Estimating the demand
3. Estimating cost
4. Anticipating competition ‘
5. Determining expected share of market
6. Selecting a suitable price strategy
7. Considering the marketing policies of the company
8. Fixing the price.

29. List out the various pricing objectives.

1. Selecting the pricing objective: The company first decides it wants to position its market offering. If a firm objectives are clear, it can set the price easier. A company can pursue any of five major objectives through pricing.

- (a) survival of the company
- (b) Attainment of maximum current profit
- © Getting maximum market share
- (d) Facilitating maximum market skimming’
- (e) Attaining product – quality leadership

30. Explain the different kinds of pricing.

1. **Odd pricing :** Odd Pricing refers to a price ending in an odd number or a price just under a round number. This type of pricing the product is generally adopted in the case of specialist or convenience goods. Odd prices by psychology may bring more sales.
2. **Psychological pricing:** seller should consider the psychology or prices besides their economics. Most buyers use the price as an indicator or quality. Some people prefer high price goods. Consider to high quality.
3. **Customary pricing:** Prices are fixed in such a way to suit local conditions. Generally, soft drinks are priced under this method.

4. **Pricing are the prevailing prices:** this type of price is done with a view to meet the competition.
5. **Prestige pricing:** Most of customers judge the quality of the products mainly by its price. They may fear that if the price of a commodity is low, it cannot be of good quality.
6. **Penetration pricing:** It is intended to help the product penetrate into markets to hold a position. This is done by adopting low prices in the initial stage. Due to the low prices, sales volume goes up, competition falls down.
7. **Skimming pricing:** a very high prices is fixed for new product initially and later the price is reduced gradually when competitors enter the market.
8. **Price lining:** the retailers generally follow this kind of pricing. Under this method pricing decisions are made only initially and remain constant for a long period of time.
9. **Geographical pricing:** It involved decisions as to how to price its products to customer in different location, whether the company charge high prices to distant customers to cover the higher transportation charges or the company charge the same price to all customers irrespective of location, etc.,
10. **Dual pricing:** If a manufacturer sells the same product at two or more different prices. it is known as dual pricing. dual pricing adopts in railways . this is also known as “discriminatory pricing.
11. **Administrated pricing:** This type of pricing is fixed not on the basis of cost, demand, competition and government policy but on the basis of managerial decisions.
12. **Monopoly pricing:** Monopolistic condition exist if one producer or a trader any product exclusively. Pricing of such product is called monopoly.
13. **Negotiated pricing:** Here the price is not fixed. The price to be paid on sale depends upon bargaining. In some case, the buyer may produce the goods on the basis of specification. In such cases, the price has to be negotiated and then fixed. Industrial suppliers adopt this kind of pricing. It is also called as variable pricing.
14. **Cost plus pricing** this method is also known as mark –up – pricing. Middlemen such s wholesalers, retailers etc.,
15. **Expected pricing:** Here the price, which will be accepted by the consumers, is found out. The customers response to the price is analyse and then a price is fixed.

31. List out the basic pricing policies.

- Cost oriented pricing
- Cost plus pricing’
- Target pricing
- Break even pricing
- Demand oriented pricing
- .Competition pricing

32. Define advertising

“Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor. It involves the use of such media as magazine, newspaper, space, radio, motion pictures, outdoor media, cards, direct mail, directories and references, store signs, programmes and menus, novelties and circulars.

33. List out the Elements of advertising.

1. Non – personal communication : Advertising is a mass non0personal communication reaching a large group of buyers.

2. **Matter of record:** It is a matter of record furnishing information for the benefit of the buyers.
3. **Paid form of publicity:** It is a paid form of presentation. The sponsor must pay for it to other person whose media is employ.
4. **Persuasion of the buyer:** The advertisement must be capable of persuading the buyers to purchase the goods advertised. It is an art of influencing the human action, the awakening of the desire to possess one's product.
5. **Identifiable with the sponsor:** Advertisement are identifiable with their sponsor or originator. The producer or the dealer sponsors the advertisement campaign by employing a suitable media.

34. Write short notes on Functions of advertising.

1. **Cheapening of prices:** Amongst the various models of selling, advertising is considered as the cheapest method of selling. Therefore, he can minimize the marketing costs substantially.
2. **Widening of the market:** effective advertisement stimulates the demand for the producer to find out new markets for his product, by influencing the minds of the public.
3. **Reduction of distribution cost :** Mass advertising brings a reduction in the distribution costs by relieving the manufacturer from incurring expenditure on sales promotion staff.
4. **Maintenance of better quality :** Advertising enables the businessmen to build up the goodwill for his undertaking. It makes him enjoy high reputation.
5. **Promotion of social welfare:** Increase demand for the product. Large scale of production leads to the employment of more persons. Increased wages enhance the purchasing power of the community.

35. List out the advantages of advertising.

1. Advantages to the manufacturers
2. Advantages to the salesmen
3. Advantages to the retailers
4. Advantages to the consumers
5. Advantages to the society

Advantages To The Manufacturers:

1. Increase in the volume of sales
2. Facilities large scale of production
3. Protection from competition
4. Minimization of seasonal slumps
5. Stabilities of prices
6. Securing of dealers
7. Less expensive
8. Provision of information

II. Advantages to the salesmen:

1. Facilitates selling
2. Creation of confidence
3. Lesser efforts.

III. Advantages to the retailers:

1. Increase the turnover publicity
2. Minimum efforts

3. Risk of price wars
4. Sales forecasting
5. Strengthening of goodwill.

IV. Advantages to the consumers:

1. Quality of the product
2. Selection of products
3. Information service
4. Fair prices
5. Mail order business

V. Advantages to the society:

1. Education value
2. Stimulation of investment
3. Employment opportunities

36. Write short notes on distrust of advertising.

In olden days, the need for advertising was comparatively less. Besides, it was also regarded as a device to cheat the innocent consumers. But now advertising has become almost indispensable to modern marketing. We shall classify the criticisms under three distinct headings viz.,

1. Economic objections against advertising
2. Social objections against advertising
3. Ethical objections against advertising

37. Brief notes on kinds of advertising.

1. Primary and selective advertising: to create or stimulate the demand for the goods or service of the advertisers. These types of advertisement are necessary for costlier goods and comforts.
Selective advertising, on the other hand, aims at creating a demand for a particular product or brand such as Standard motors, Philips radios, etc.,
2. Product and institutional advertising: Product advertising refers to the advertising of a particular product or article manufactured by the producer. In this type of advertising, importance is given to the name of the product or brand, such as Horlicks, Complain, Hamam soap etc.,
Institutional advertising refers to the advertising of a particular manufacturer. Bata, BPL, Philips, Bombay Dyeing,
3. Commercial and non-commercial advertising: Commercial advertising or business advertising refers to the advertising of a product or an idea to help a commercial or a trading concern.
 - ✓ Industrial advertising: such advertising is concerned with industrial products. This type of advertising is generally concerned with manufactured goods or goods that shall be used in further processing.
 - ✓ Trade advertising: Traders and merchants adopt this type of advertising to sell their merchandise.
 - ✓ Professional advertising: Professional people such as Doctors, Accountants, etc.,
4. Farm advertising: this type of advertising relates to farm products like fertilizers, farm implements.
5. Mail order advertising: the mail order advertising aims to procure orders through mail. Goods are also directly sent to the persons who place the orders.

38.What is meant by Advertising copy and its elements?

All the written or spoken material including the main body, headlines, sub-heads, and all other printed elements such as picture, captions, slogans, brand names, trademarks, prices etc.,

Elements of an advertisement copy:

1. Attention value (use pictures, Headlines, slogan, colors, borders, quotations, coupons,)
2. Suggestive value
3. Memorizing value,
4. Conviction value
5. Sentimental value
6. Educational value
7. Instinctive value

39.list out the forms of advertising media.

Two main types of advertising. They are

1. Direct advertising
2. Indirect advertising

I. Forms of Direct advertising materials:

1. Cards: Cards can be used only when the message is very short.
2. Sales letters: these are written forms of advertisement. They are more effective and economical.
3. Circulars and leaflets: They are either typed or printed without colours. Covering letters may also be sent with the circulars and leaflets.
4. Catalogues, book-lets, and brochures: these materials are of much useful to publishers, travel agents, tourist agencies etc.,
5. Folders: Single sheets are generally folded twice or thrice and made attractive. colors are often used in the folders.
6. House organs: these are special kinds of periodicals published by the manufacturers for distribution amongst their customers, salesmen, retailers, and wholesalers. However small stories, cartoons, jokes, and articles can also be included to make it interesting to the readers.

II. Indirect advertising:

1. Press advertising – Newspaper, magazines)
2. Radio advertising
3. Film advertising
4. Television advertising
5. Outdoor advertising
6. Point of purchase advertising

III. Out – door advertising:

1. Posters
2. Painted display
3. Electric light display
4. Neon signs
5. Traveling display
6. Fild signs
7. Sandwich men
8. Sky advertisng
9. Hand bills

IV. Point of purchase advertising:

1. Window display
2. Show rooms
3. Exhibition
4. Counter display

40. What is Advertising agency?

“Advertising agency is an independent business organization composed of creative and business people who develop, prepare and place, advertising media for the sellers seeking to find customers for their goods and services.

41. What is brand?

A brand is a name, term, symbol, or design, or a combination of them, which is intended to identify the goods or services or one seller or group of sellers and to differentiate them from those of the competitors.

42. What is brand name?

A brand name consists of words, letters, and or numbers, which may be vocalized and refers to products. Examples are Ambassador cars, usha fans, bata shoes, etc.,

43 what is Brand mark?

A brand mark is hat part of brand which appears in the form of a symbol, or design or distinctive colouring or lettering. Examples, Symbol of maharaja of air India, the symbol of butterfly of the butterfly appliances etc.,

44. List out the Reasons for branding the products.

1. Memory recall is facilitated.
2. Advertising can be directed more effectively and linked with other communication programmes.
3. Branding leads to more ready acceptance of product by wholesalers and retailers.
4. Self selection is facilitated- a very important consideration in self services.
5. The importance os price differentials may be diminished.
6. Other products may be introduced more radily.
7. Branding makes market segmentation easier.

45. List out the Characteristics of a good brand.

1. Distinctive: the name should be distinctive because they are attention compelling, have interest, impact and memory value.
2. Suitability: the names should suit the markets, buyers and products.
3. Suggestive: They should have a suggestive quality so that interest may be aroused and the performance of the seller's advertising may be enhanced.
4. Easy to master: they should be easy to write, read, spell, recognize and remember.
5. Short: They should as short as possible.

46. What are the various Advantages of branding?

1. Advantages to the producers:

- It acts as a device by which the corporate image or goodwill can be established.
- Introduction of new products is over simplified.
- Marketing cost and other promotional costs are minimized.
- The brand loyalty protects the producer.

2. Advantages to the dealers:

- Dealers can easily sell away branded goods.

- Dealing in branded goods adds prestige to the leaders.
- 3. Advantages to the consumer:
 - Branded goods are generally of good quality because brand owners try to maintain the quality in order to secure stronger market position.
 - Prices of branded goods are uniform throughout the country.

47. What is brand equity?

“Brand equity provides value to a firm in the form of price premium or trade leverage or competitive advantage”.

48. List out the Approaches to brand valuation.

1. Price premium
 - Trade – off
 - Observing price levels prevalent in the market
 - Assessing the preference or purchase likelihood of customers at different levels.
2. Movements in stock price
3. Future earning of firm
4. Impact of the brand name on customer preferences
5. Replacement value.

49. write short notes Categories of brand assets.

1. Brand loyalty : Brand loyalty is something higher than that.
2. Brand name awareness
3. Brand’s perceived quality
4. Brand associations
5. Other brand assets.

50. Who is wholesaler?

“ Wholesalers buy and resell merchandise to the retailers and other merchants and not to sell in significant amount to ultimate consumers.

51. List out the characteristics of the wholesalers.

1. The wholesalers generally deal in large size of lots.
2. They generally sell the goods for the purpose of resale.
3. They buy goods from the manufacturers for purpose of selling them to others.
4. The wholesalers generally do not deal with the ultimate consumers.
5. The term wholesalers refer only to merchant middlemen who buy goods on their own account.

52. List out the Functions of the wholesalers.

1. **Buying and assembling:** Procure varieties of goods from various producers regularly and preserves them in his shop for resale.
2. **Warehousing:** the wholesalers store goods in large quantities in his own or hired warehouses.
3. **Transporting:** It involves the bringing of goods from the plant door to his godown and also from his godown to the retailers shop.
4. **Financing:** He offers financial assistance to the retailers through extensions of credit facilities.
5. **Risk bearing:** He assumes the risk arising out of change in demand, spoilage and deterioration in quality of the goods kept in his godown.

6. **Grading, packing & packaging:** according to their quality and packing them into smaller lots for delivery to retailers is also performed by the wholesalers.
7. **Selling:** finally, he arranges for selling the product kept in his warehouse.

53. Explain the services to the wholesaler.

1. Services to the producers

- Economy of mass production
- Securing of the market
- Minimization of distribution costs
- Risk of financing
- Regulation of production
- Provision of market information
- Specialization
- Price stabilization

Service to the retailers:

- Stock in small quantities
- Variety of products
- Extension of credit facilities'
- Benefits of specialization
- Economics in operation(transport and packing cost, warehousing, capital requirements, price)
- Expert advice
- Minimization of risk

Service to the consumers:

The wholesalers are not supposed to deal with the final consumers. The functions are confined to retailers and industrial uses. Yet, they serve the consumers in an indirect way.

54 Classify the wholesaler.

The wholesalers can be classified into three kinds viz.,

1. On the basis of merchandise handled
 - General merchandise wholesalers
 - General line wholesalers
 - Specialty wholesalers
2. On the basis of method of operation:
 - Service wholesalers (General merchants)
 - Limited functions wholesalers

Limited function wholesales are further classified into 4 types:

3. Truck wholesalers
4. Rack jobbers
5. Cash and carry wholesalers
6. Drop shipment wholesalers

Method of operation:

1. **Service wholesalers:** They perform all or most of the activities generally associated with wholesale trade.
2. **Limited function wholesalers:** they perform only a few of the marketing activities.
 - **Truck wholesale:** they combine selling, delivery, and collection in one operation. They deal generally in perishable or semi-perishable goods.
 - **Rack jobbers:** they are generally serving supermarkets and other grocery retailers.

- **Cash and carry wholesalers:** They do not send salesmen to the retailers and offer neither credit nor door deliver.
- **Drop shipment wholesalers:** When the goods are ordered, the manufacturer send the goods directly to the retailer. But the bills are made in the name of the wholesalers.

55. who are retailers?

“A retailer is a merchant or occasionally an agent whose main business is selling directly to the ultimate consumers”. Retailing consists of the activities involved in selling directly to the ultimate consumer for personal, non- personal use.

56. Describe the Characteristics of the retailers.

1. The retailers generally sells in small quantities.
2. He is the last link in the chain of distribution.
3. He may buy the goods from the wholesalers or manufactures either on his own account or agent for them.
4. Since he deals in small quantities his sales volume is less when compared to the wholesaler whereas his profit margin is high.

57. What are the various function of the retailers?

1. Buying and assembling of goods from the godown from various producer or wholesalers.
2. Storing of the goods so assembled
3. Risk-bearing
4. Transportation of goods from the godown of wholesalers.
5. Grading and packaging
6. Providing market information’ Extension of credit facilities to the consumers
7. Selling.

58. what are the essential requisites for successful retailing?

- Selection of goods
- Effective buying
- Proper Location’
- Display of goods
- Employment of trained salesmen
- Advertising

59. Differentiate departmental store and chain store..

DEPARTMENTAL STORE	SUPER MARKETS
The departmental stores deal in a wide variety of goods.	Super markets generally confine their dealing with food and groceries.
Salesmen are employed to aid the customers	No salesmen are employed
Better consumer services are offered	The service rendered to the customer are very low.
Credit facilities are available	No credit sales
Overhead expenses are high	overhead expenses are low
Margin of profit is generally high	Margin of profit is usually thin, sometimes even as low as one percent.

60.What is hyper market?

Hyper markets: The super store also called as hyper markets or super market. Super store is the newest and possibly the toughest innovative competition of super market.

Characteristics:

- a) **They require a vast selling area** (at least 25000 sq. ft)
- b) Generally located on the edge of the towns.
- c) They also enjoy various economies of large scale of operations
- d) Low overhead charges
- e) Large turnover and low mark up are the principal advantages of hyper markets.

61. What is meant by Public relations?

- ✓ Now-a-days companies are expected to relate them not only to customers, suppliers, and dealers but also to a large number of interested publics.
- ✓ A public is any group that has an actual or potential interest in or impact on a company's ability to achieve its objectives.
- ✓ Public relations involve a variety of programmes designed to promote or protect a company's image or its individual products.
- ✓ The wise company take concrete steps to manage successful relations with its key publics.
- ✓ Most companies have a public relations department to monitor the attitudes of the organization's publics and distribute information and communications to build goodwill.
- ✓ The best public relations departments spend time on counseling their top management to adopt positive programmes and to eliminate questionable practices so that negative publicity does not arise in the first place.

62. List out the Functions of public relations.

1. **Press relations:** They present news and information about the organization in the most positive light in newspapers, weekly editions, magazines etc.,
2. **Product publicity:** It involves taking much effort to publicize specific products.
3. **Corporate communications:** Through communicating with people in the organization they try to promote understanding of the organization.
4. **Lobbying:** It involves dealing with legislations and government **officials to promote or defeat legislation and regulation.**
5. **Counseling:** It involves advising management about public issues and company positions and image during good times and bad.

63. List out the Important role of Marketing public relations.

- ✓ Assisting in the launching of new products.
- ✓ Assisting in the repositioning of a mature product.
- ✓ Creating interest in a product category.
- ✓ Influencing particular target groups.
- ✓ Defending products, which have encountered public problems.
- ✓ Building the corporate image in a way that reflects favourably on its products.

64. what is personal selling?

“Personal Selling is an art of presenting an offering that the prospect appreciates the need for it and that mutually satisfactory sale follows”.

“Personal selling involves oral presentation in a conversation with one or more prospective purchase for the purpose of making sales”.

65. List out the Qualities of personal selling?

1. **Personal confrontation:** Two or more persons come into contact active relation and each party is able to observe at close quarters, the characteristics and need of the other and make immediate adjustments and thereby make the encounter successful.

2. **Cultivation:** Personal selling may lead to all kinds of relationship ranging from a matter of fact selling relationship to a deep personal friendship.
3. **Response:** Personal selling usually makes the prospect to feel a sort of peculiar obligation for having listened to the sales talk.

66. Write short notes on Objectives of personals selling.

Personal selling has both long-term and short-term objectives. The long term objectives are broad and general. The short term objectives are specific and relate to the roles, which the management assigns as part of the both promotional programmed overall marketing strategy.

Qualitative objectives:

- a) To do the entire selling job
- b) To search out and obtain new customers. To secure and maintain customer's co-operation in stocking and promoting the product line.
- c) To keep the customers informed about the changes in the product line and other aspects of marketing strategy.
- d) To assist the dealers in selling the product.
- e) To provide technical advice and assistance to customers as in the case of complicated products and custom designed products.
- f) To assist with or handle the training of middlemen.
- g) To collect and report market information of interest and sue to the company management.

Quantative objectives:

- a) To obtain a specified sales volume.
- b) To obtain sales volume in such a way that contributes to profit objectives.
- c) To keep personal selling expenses within the specified limits.
- d) To secure and retain a specified share of the market. Thus, personal selling is a broader concept and covers a wide variety of activities.

67. what are the steps in selling or process of selling?

1. **Pre- sales preparation :** The salesman prepares himself for making sales. The first step in the sales process is to make sure that the salesman is prepared to make sales. The techniques of selling as well as with the buying motives, behavior of the customers or prospects to whom he has to sell his products. This is because, a salesman has to serve the customers, identify the problem that are faced by the customers, and solve these problems.
2. **Prospecting or locating potential buyers:** It involves identifying and locating prospects and drawing up their profiles. With the help of records of past and present customers, the salesman has to determine the characteristics of such prospects. It helps in planning the whole selling efforts so that there are no or less wasted calls.
3. **Pre-approach to Individual prospects:** The sales person should try to know fully about the persons to whom they hope to sell. Besides, he should try to get information about personal habits and preferences of the prospects.
4. **Presentation:** The salesmen is ready to formally present his products to the customers. The sales presentation should be in the language, which the prospect understands. It involves 4 steps.
 - Attracting the attention of the prospect: securing the attention of the prospect.
 - Holding interest: Stimulating a desire for the product.
 - Trial close: How favorable the prospect is to his proposition.
 - Meeting objections: A good salesman should welcome such objections.

5. **Closing the sales:** It means making the persons to say yes to your proposition. That is he should impress the prospect by his mode of approach and make him to say yes., to buy his product. Some people believe that the prospect would voluntarily buy things. The salesmen persuade them and order should be procured.
6. **Post –sale activities:** It involves a series of post services that can build customer goodwill and lay the groundwork for future transactions. In this stage, the sales person has to minimize the customer's dissonance. It can be done by,
 - Summarizing the benefits that accrue to the customer from the product.
 - Repeating why it is better than the alternative choices available in the market.
 - Pointing out how will the consumer be satisfied with the performance of the product.

12 Mark Questions:

1. What are the determinants which would impact with consumer buying behavior? Explain with suitable example.
2. Clarify the details on the types of marketing research based on the functional objectives.
3. Explain the various stages in product life cycle. Bring out the strategies to be adapted in every stage.
4. What are the requirements for market segmentation? Discuss the bases of segmentation for a consumer product?
5. Illustrate and explain the factors that affect pricing decision by a firm.
6. Explain the various strategies to be adopt during the different stages of Product life cycle.
7. Name 10 companies involved in web based marketing. and Explain the Marketing process.
8. Discuss the marketing strategy on Individual products that would be suitable for marketing scooters.
9. Explain various stages in Product Life Cycle, what are the strategies to be adopted in every stage.
10. Suggest suitable strategies for different stages of Product Life Cycle.
11. Explain different types of Pricing Policies.
12. What are the decisions, markets need to take to manage the distribution channel? Explain it.

UNIT- IV

2 Mark Questions:

1. Write short notes on Consumer behaviour.

Consumer behavior refers to the selection, purchase and consumption of goods and services for the satisfaction of their wants. There are different processes involved in the consumer behavior. Initially the consumer tries to find what commodities he would like to consume, then he selects only those commodities that promise greater utility. After selecting the commodities, the consumer makes an estimate of the available money which he can spend. Lastly, the consumer analyzes the prevailing prices of commodities and takes the decision about the commodities he should consume. Meanwhile, there are various other factors influencing the purchases of consumer such as social, cultural, personal and psychological.

2.What are the different types of buying motives?

(i) **Product motives :**Product buying motives are those that prompt the consumer or people to buy because of physical and psychological product attributes. The product might be appealing to his eyes, nose, ear, tongue and skin and matching to his mind.

(ii) Patronage motive :Patronage motives speak of the choice of a particular person, a shopkeeper or an outlet for purchase. In other words, he has certain motives to patronize or support and suggest a particular shop or a store; these may be emotional and rational like those of product motives.

(a) Patronage emotional motives- Patronage emotional motives are based on his wish or emotion or pulsive attitude. His decision to support a store is not the outcome of reasoning and judgment. His selection is founded on the casual factors and these are ,

- (1) Appearance of the store
- (2) Recommendation of friends and relatives
- (3) Imitation
- (4) Prestige
- (5) Habit

(b) Patronage rational motive

All customers are not emotional in supporting a particular store. They are rational. They think and judge before extending loyalty to a particular store. The motives of this kind can be

- (1) Proximity
- (2) Widest assortment
- (3) Credit facilities
- (4) Treatment
- (5) Services offered

3. Write short notes on Important buying motives.

It can never be ignored that people buy for their own reasons, not ours. Their reasons may not necessarily be sensible, intelligent or even rational from our perspective, but they are *their* reasons. People have six motives for buying any product or service:

- 1) Desire for financial gain
- 2) Fear of financial loss
- 3) Comfort and convenience
- 4) Security and protection
- 5) Pride of ownership
- 6) Satisfaction of emotion

4. What are the factors influence of social sciences on buyer behaviour.

All major social sciences like economics, psychology, sociology and anthropology have influenced buyer behavior studies. It is essential to have an idea of the nature of this influence.

Influence of Economics :Economists describe man as a rational buyer and view the market as a collection of homogeneous buyers. Under a given set of conditions, all buyers behave in a similar fashion and every buying decision is a logical process with the ultimate intention of obtaining optimum value for the money spent. Price is regarded as the strongest motivation for the "economic man"TM. The economic manTM's behavior, in short, is rational.

Though the model of economic man may help us understand certain aspects of buyer behavior, it certainly cannot answer all the puzzles of buyer behavior. The main problem with the concept of economic man is the assumption that buyers are absolutely rational in their purchases and that markets are homogeneous.

Markets are actually a collection of heterogeneous buyers, differing from each other in several characteristics. The marketing process is intended to match these heterogeneous segments of demand with heterogeneous segments of supply.

Influence of Psychology : The next major influence on buyer behavior came from psychology. According to psychologists, any human activity is directed towards meeting certain needs. These needs have been categorized in different ways by different psychologists.

Physiological needs are the basic needs: they include the need to satisfy hunger, thirst, sleep, etc. For people who are well off, physiological needs are met as a matter of routine, whereas for the poor, a major part of their time is spent in striving to meet these needs. Safety needs include needs relating to physical safety and economic and social security.

Social needs come next and they include the need for love and the need to belong. Esteem needs include the need for self-esteem, the need for recognition by society and the need to be held in esteem by others. Self-actualization needs include the need for self-development and the need to attain complete fruition of one's capabilities and endowments. The actions of individuals are guided by their need structure and need level.

Influence of Sociology and Anthropology : Sociology and anthropology lent further dimensions to the subject of buyer behavior. According to scholars in these fields, group pressure is the motive force behind buying. Sociologists and anthropologists have tried to establish a logical connection between buyer behavior and the social environment of the buyer. As a result, several new concepts like social stratification, reference groups, role-orientation, opinion leadership, etc., have come to be used for giving causal explanations of buyers' behavior.

5. Short notes on Forces motivating to buy.

The forces that are motivating an individual to buy may be broadly classified into two namely, external forces, internal forces, which include rational and emotional motivations.

1. **External forces :** It includes, Nationality religion, education, occupation, incomes, social status, area of residence, culture of the society in which the consumer lives, social class to which he belongs, his friends and his family.

2. **Internal forces:** Internal forces are those forces, which have an origin in the minds of the people. These forces may be both of physical and psychological nature.

Internal forces: which motivate the buying behavior may be classified into two groups namely, 1. Rational motivations, 2. Irrational or emotional motivations.

Rational motivations:

- Dependability in quality, durability, happiness, healthfulness, efficiency in operation etc.,

Irrational motivations:

- Pride & Ambition, emulation, social achievement, proficiency, expression of artistic taste, Cleanliness.

6. Explain the different theories contributed by social science.

1. Economic theories:

Marshallian model:

- classical economists developed this model.
- This model describes that a consumer will buy regularly those products at relative prices that will give him maximum satisfaction.
- It describes that buying decisions are made as the results of rational activities and economic calculations.

- “Lower the price of the product, higher the sales”. Sometimes people may be afraid of the quality if the price is low.

2. Psychological theories:

- It is also known as Learning theories.
- People learn from past experience, and the results of such experience will change their actions on future events.
- It explains how the buying habits are developed through various steps viz., repetition, motivation, conditioning and relationship.
- Further, psychology directs that satisfaction of certain needs, which is popularly known as Maslow's hierarchy of human needs. They are –
 - a) Psychological needs i.e., basic needs viz., food and drink.
 - b) Safety needs – security and protection.
 - c) Social needs – Love and belongingness needs – presenting gift at various occasions.
 - d) Esteem needs – Self respect, and prestige in society
 - e) Self actualization needs – achievement in life.

3. Psychoanalytic theories :

- Sigmund Freud developed psychoanalytic theory.
- It has three elements namely, Id, Ego, Super Ego.
- Id denotes the free mechanism, which leads to strong drives.
- Ego weighs consequences of the act instead of rushing blindly into the act.
- Super Ego tries to keep the act morally right.
- The buyer behavior relies on the relative strength of these three elements.

Socio-cultural theories:

- This theory is also known as group theories.
- This theory considers man as a social animal. The family and society influence the person's buying decisions.
- The group to which he belongs largely influences his wants and behavior.
- Other groups like cultural groups, reference group's social classes and family also influence one's buying decisions.

7. Write short notes on building customer satisfaction.

- Customer satisfaction, a business term is a measure of how products and services supplied by a company meet or surpass customer expectation. It is a key performance indicator. No business or organization can succeed without building customer satisfaction and loyalty. Satisfaction will be determined by the value of the difference between what the customer receives and what they pay to receive.

- In the present scenario of competition companies can build the required customer ratification by:

1. Incorporating good business practices: These practices are constructed by stakeholders, business process, resource and organizations.
2. Creating and delivering value: Company itself can be considered as a value chain consisting of primary and secondary activities. Primary activities are in boundary activities, operation, delivering finished goods. Secondary activities consist of functional departments like technology dept, procurement department, human resource dept, and finance dept.
3. Customer relationship management: Company need to develop policies for retaining customers along with attracting new customers.

8. Brief notes on Importance of building customer satisfaction.

1. Customer – oriented management
2. Comparison with the competition
3. Comparison over time
4. Profit from specific insight
5. Loyalty
6. Reduced costs.
7. Leads and referrals
8. Ideas for new developments.
9. **What are the different Tools for building strong customer satisfaction/relationships?**

1. Customer communications approaches are:
 - Providing customer feedback forms
 - Asking customer need in general when customer call with problems.
 - Training call-center staff to handle dispute uniformly and constructively
 - Responding directly to customer feedback
 - Demonstrating how the company listen to its customers.
 - Encouraging a service culture throughout the organisation.
2. Customer loyalty through promotional methods:
 - Creating point system that offers rewards once a customer accumulates a certain number of points.
 - Offering discount or free-product coupons.
 - Running contests in which customers may win prizes by entering a drawing
 - Offering lifetime service guarantees.

10. **Why the measuring for customer satisfaction ?**

1. Business related :
 - to judge the effectiveness of its business plan.
 - It provide quantified information on
 - Satisfied customer acts as an extended marketing arm of the superior.
 - Customer satisfaction levels.
2. Customer related:
 - How many customer have been lost?
 - Which customer have been lost?
 - Why and where have they been lost?
 - Customer needs and requirements.
3. Supplier related:
 - Supplier's market image and standing
 - Customer's perception on the supplier
 - Supplier's position compared to the benchmark
 - Success rate of the vendor in keeping its customer satisfied.
4. Competitor based:
 - Loss of the business of the supplier is the gain of the competitor.
 - It helps vendor from taking corrective action and reversing the negative trend.
 - It helps in ascertaining the relative position of competitor.
5. Performance related:
 - Opportunities for improvement with existing programme, product and services.

- The actual cost of the customer turnover.

11. What are the different Methods of measure customer satisfaction / voice of the customer?

1. **Comment cards:** a card is enclosed with the warranty card and packed along with the product.
2. Customer questionnaire
3. Focus group: collection information on customer expectation and requirements.
4. Toll free telephone numbers
5. **Visits to customers place of business**
6. **Report cards:**

12. What is meant by customer acquisition?

Customer acquisition is the process of acquiring new customers for business or converting existing prospect into new customers.

Input for acquisition:

The purpose of customer acquisition an organization likely to focus its attention on the following as its major sources for providing input for acquisition. ‘

- Suspect and enquiries
- Lapsed and former customers
- Competitor's customer
- Referrals

13. What are the different Factors influencing acquisition?

Rational buying (Reason and logical based buyers)

- Emotional buyers(do not move from one stage to another systematically)
1. Type of product: whether it is convenience, shopping or specially product.
 2. Type of customers: It is an individual or an organization.
 3. Economic environment: (supply and demand conditions)
 4. Contextual operations: (prospective buyers intentions, urgency, previous experience specific benefit expected).

14. Draw the Process of acquisition.

1. Enquiry(buyers detailed enquiry)
2. Interaction(buyers interact with the organization)
3. Exchange(mode of delivery,)
4. Coordination and adoption

15. What are the different Strategies for customer acquisition?

1. **Focused approach.** (knower's, prefers, indifferent, rejects)
2. **Providing a win-win platform(customer and company)**
3. **Initiate forum for communication** (communication has to be open and interactive in nature.)
4. **Attempt to minimize FUD:** Effectively plan to minimize Fear, Uncertainty, and doubts).
5. **Projection of benefits and not products:**
6. **Contextual application :** Those roles include, initiator, influences, deciders, buyer, user.
7. **Focus on Decision process:** (Need identification, search for information, evaluation, decisions, implementation, post-purchase action)
8. **Attention on adoption process: (product move its life cycle.)**

16. **Define customer retaining.**

Definition: Customer retention is the process when customer continue to buy products and services within a determine time period.

17. **Write short notes on Level of retention strategies.**

There are some specific strategies and tactics used by firms to build relationships and tie customers closer to the firm.

Level 1: financial bonds: The customer is tied to the firm primarily through financial incentives, lower price for greater volume purchases or lower price for customers who have been with the firm for long time.

Level 2: Social bonds: this strategy bonds the customers to the firm mote than financial incentives. Customers are viewed as clients rather than mere customers. The clients are the individuals whose wants and needs the firm tries to understand and design the product accordingly.

Level 3- Customization bonds: Tow commonly used terms, mass customization and customer intimacy, fit within the customization bonds approach. But these strategies suggest that customer loyalty can be encouraged through intimate knowledge of individual customers, and through the development of one-to-one solutions that fit individual customer's needs.

Level 4: Structural bonds: These are the most difficult to imitate and involve structural as well as financial, social, and customization bonds between the customer and the firm. Structural bonds are created by providing customized services to the client that are technology based and make the customer more productive.

18. **What are the various Strategies for customer retention.**

The major retention strategies which are often taken into account for maintaining customer relationship and retaining the customers are:

- 1) **People:** People within the organization have the basic role in developing and maintaining relationship with the customers.
- 2) **Process:** It involves logical sequence of activities right from the need identification of potential customers to need fulfillment.
- 3) **Product:** The product offered must constantly provide value addition. The expectation of the customers may always be on the increase due to various reasons.
- 4) **Organization:** An organization should be aware of the technology advancements an provide quality services in tune with customer's reasons.
- 5) **Concentrate on competitors:** customers always make this comparison and decide their future purchase pattern.
- 6) **Customer analysis:** customer referred here include the present customers consuming the products of an organization also the prospective customers who are presently consuming the products of competitors.
- 7) **Cost analysis:** the organization must perform value analysis and try to reduce costs and retain the same good quality pr improve quality of product or service.

8) **Concentration on the paying ability of customers:** before fixing the price, the paying ability of the potential customers must also be analyzed.

9) **Knowledge on purchase behavior pattern:** Organization should have thorough knowledge of the purchase behavior pattern of their customers.

10) **Differentiation in prices and quality standards:** An organization may come forward to offer series or brands of different varieties with price variations.

11) **Focus on reducing dissatisfaction:** they may simply make a brand switch over. If a complaint is well attended, then dissatisfied customer becomes more loyal to the organization and thereby, the relationship would continue to exist.

12) **Attention on changing requirements of customers:** Customers up to a given point of time would concentrate on life maintenance needs, which will be followed by life-enhancing needs.

13) **Concentration on performance:** This must be on a continuous basis and there must be a separate team of members well trained to evaluate the performance and initiate corrective actions.

14) **Develop partnership with customers:** Partnership alliances would go a long way in building relationship with the customers. This type of partnership understanding may be in the form of buy-back arrangements, training employees and extending managerial support to the customer organizations and so on. This sort of a partnership approach would create evidence for the care and interest on the customer's organization.

15) **Relationship – based pricing schemes :** Introduction of relationship based differential pricing scheme would encourage customers towards relationship building. The prices charged from customers would be depending on their extent of loyalty. A customer who makes very frequent repeated purchase would be charged fewer prices as compared to the other category.

16) **Customer complaint monitoring cell:** the role of the cell is to receive, register, and classify complaints, forward them to the respective departments to initiate action, and follow-up until the complaint is attended, to the satisfaction of the customer concerned.

17) **Focus on preventive action:** More attention should be devoted for order processing, delivering scheduling and the repeated aspects.

18) **Building switching barriers.** Those barriers include incentive schemes, relationship based pricing, additional services, attractive prize schemes, sentiments based schemes and so on.

19. **List out the Benefits of customer retention.**

- Possibility of repeated business
- Reduced costs for customer acquisition
- Fostering greater interaction between business and customer.
- Having more delighted customer.

20. **Short notes on customer defection.**

- Customer defection is also known as customer churn or customer turnover.
- It comes after customer attrition-when is not managed through CRM activities.
- Customer defection means losing a business.
- It occurs when an unhappy customer decides to stop hire or purchase the services or products and decides to find some other suitable alternative that satisfied its needs which the organization failed to deliver.

21. **List out the Types of defectors.**
 1. **Price defectors:** Those who switch to competitors for lower priced goods or services.
 2. **Product defectors:** Those who switch to competitors who offer superior goods and services.
 3. **Service defectors:** Customer who defect because of poor customer service.
 4. **Market defector:** Customer who defect because of poor customer service.
 5. **Technology defectors:** Customers who switch to products outside the industry.
 6. **Organizational defectors:** Customers who leave because of political considerations inside the firms, such as reciprocal buying arrangements.
22. **List out the causes of customer defection.**
 1. Loyalty problems
 2. Misconception about price
 3. Contact centre.
23. **How do reduce the defection ?**
 1. **Measuring retention rate:** Define and measure its retention rate. Example : For a college, it could be the first –to-second year retention rate, or the class graduation rate.
 2. **Distinguishing causes of customer :** Distinguish the causes of customer attrition and identify those that can be managed better.
 3. **Comparing the lost profit:** compare the lost equal to the CLV(Customer lifetime value) from a lost customer to the costs to reduce the defection rate.
 4. **Implement effective complaint –handling and service recovery procedure :** Effective complaint handling and excellent service recovery are crucial to keeping unhappy customers from switching providers.
 5. **Increase switching costs:** Another way to reduce churn is to increase switching barriers.
24. **what is meant b y defection management?**
 - Defection management refers to a systematic process which actively attempts to retain customers before they defect.
 - It involves tracking the reasons for defection and using this information to continuously improve service deliveries.
 - A firm operation in services should move towards zero defection, which is different from zero defect model in the manufacturing sector.
 - Zero defect means no defects, whereas zero defects implies that no customer defects to competitors.
 - Defection rate are measurable and manageable.

12 Mark Questions::

1. Discuss the stages that are involved in the buyer decision process Illustrate it with the example of a two wheeler.
2. What are the determinates of buyer's behaviour? Examine these with appropriate illustrations?
3. Enumerate the factors that influence the buyer behaviour.
4. Illustrate with example, how companies can acquire and retain customers.
5. What are determinants of buyer behaviour? Examine with appropriate Illustration?
6. Explain differential pricing.

UNIT – V

2 Mark Questions:

1. What is market research?

Marketing research is the search for and analysis of information relevant to the identification and solution of any problem in the field of marketing.

2. List out the objectives of market research.

Discovering new ideas, Analyzing tastes and preferences of customers, reducing the cost of marketing, helping in formulation of suitable price policy. Capturing the greater market share.

3. What are the various process of market research?

- ✓ Formulating the research problem.
 - ✓ Extensive literature survey
 - ✓ Developing of working hypothesis
 - ✓ Preparing the research design
 - ✓ Determining g sample design (determining the sample design)
 - ✓ Collection of data (Primary data or secondary data)
 - ✓ Execution of the project (whether the process in correct lines)
 - ✓ Analysis of data (Tabulation, percentage and etc.,)
 - ✓ Generalization and interpretation of report. (Build a theory)

4. Write short notes on ethics in marketing.

Ethics in marketing is not al together a different concept or it is not performing marketing with a different concepts/ style but simply it is the it is the function and process of marketing keeping o the standard norms of it and achieving the ends through a sound means.

5. What is online marketing?

Online marketing is also known as virtual/ interactive / internet marketing of e- marketing. It is the fastest form of direct marketing. Recent technological advances have created a digital age. Widespread use of the internet is having a dramatic impact on both buyers and the marketers who serve them.

6. Write short notes on online marketing trends and techniques.

E-mail Marketing, article marketing, viral marketing, display of banner ads forum marketing, social media marketing, blogs marketing, buzz marketing, rich media marketing.

7. What is direct marketing?

It is an interactive system of marketing which uses one or more advertising media to affect a measurable response and or transaction at any location

8. List out the methods of direct marketing.

Direct. selling (face-to face), Mail order marketing, Direct mail marketing, Tele marketing, direct response marketing, tele-shopping/ home shopping.

9. List out the characteristics of good research report.

1. **Clarity and coherence:** clarity is the first essential requirement of a good research report. The researcher should be first clear in his writing. In many case, one does not really find out what one wants to say until the writing is completed, revised or rewritten. As such, clarity and coherence are the ones which set out all this process of revision or rewriting.
2. **Writing correctly:** Another requirement of a good research report is that it should be written, correctly. In fact, correctness is important in achieving clarity.
3. **Style to the reader's taste:** A good report is style than the audience can follow. Depending on the focus group, you have to change your style of presenting the results.

4. **Readability:** Readability is another requirement of a good report. Clarity and coherence usually provide readability to a next. Some ways of defining readability:
 - ✓ Readability is short paragraphs
 - ✓ Readability is short sentences
 - ✓ Readability is continuity
 - ✓ Readability is clarity
5. **Effective arrangement:** Proper organization of the report is the important ingredient in the whole process; a technical editor can correct a technically inaccurate statement can be corrected by technical editor. This deal with the different parts of a report, viz, the preliminaries the text and the end matter. The end matter includes information dealing with appendices , glossary, bibliography etc., A neat arrangement of the matter decides offering good readability, points to the clarity of thought of the researcher.’

10. Explain the different types of report.

The Purpose of reporting is communication. It is through the reports, one would be able to express his ideas and opinions. However, reports need not be in writing.

1. **Oral report:** If the idea of reporting is to communicate with the other person or persons, it can as Will be verbal presentation. In case of corporate reporting, the meetings, discussions, get-together provide an opportunity to communicate with each other. Though in general, report can be oral or written research report are expected to be in written. As we are aware, the problem with oral presentation is that its utility is limited to that point of time.
2. **Written report:** compared to oral reporting, the preparation and presentation of written report is some what difficult. When it comes to the question of putting the same in writing there arises the difficulty of languages words, meanings etc, As such, presentation of information or results in writing requires many qualities and a great deal of effort by the researcher.

Written report themselves are different types

In the context of reporting to management of **a company reports are classified as**, external and internal reports, routine and special report, and operating and special report. In addition, the reporting requirements of different levels of management also vary, i.e., lower level, middle level and top level management.

3. **Popular report:** This is the report meant to be read by general public or layman interested in the developments taking place around them. A research report meant fro such people should present broad facts, findings and recommendations. They are not generally interested in such details as to the year-wise-changes in national income, capital formation, capital output ratios, etc., the input like the Indian institute of science(IISC), Indian space research organization(ISRO), prepare popular report and send them to press for wide coverage.
4. **Report for the administration:** Many of the business reports are of this type. They may be submitted to any level. Usually, supervisors submit periodical reports about productions, machinery maintenance, overtime, etc., Submissions of annual report to the shareholders is a usual phenomenon in case of joint stock companies. This allows the management to take a firm and long-term decisions regarding the power supply to the plant... If it has found through the report that the power failures frequent and continuous over the years. It may take a decision to start a captive power plant.
5. **Technical report:** In the technical report main emphasis is on (a) The methods employed (b) Assumptions made in the course of the study (c) the detailed presentation of the findings including their limitations and supporting data.

6. **6. Interim report:** there is long time lag between data collection and the presentation of the results in the case of a sponsored projects, the study may lose its significance and usefulness and the sponsor may also lose interest in it.
7. **7. Summary report:** It is generally prepared for the consumption of the lay audience , viz., the general public. It is written in non-technical simple language with a liberal use of pictorial charts. It is a short report of two or three pages. Its size is so limited as to be suitable for publication in daily newspapers.
8. **8. Research abstract: It is a short summary of technical report.** It contains a brief presentation of the statement of the problem, the objectives of the study, methods and techniques used and an overview of the report. This abstract is primarily meant for enabling the examiner invites to decide whether the study belongs to the area of their specialization and interest
9. **9. Research article:** this is designed for publication in a professional journal. If a study has two or more aspects that can be discussed independently, it may be advisable to write separate articles rather than crowd many things into a single article.
10. **(a) Introduction:** A statement of the nature of the problem and a brief review of previous studies pertinent to the development of the specific questions or hypothesis to be tested.
11. **(b) Method:** a brief statement of what was done, where and how it was done, and a statement of the specific techniques and tools used.
12. **(c) Results:** A presentation of the salient findings with tables or charts.
13. **(d) Discussion:** A discussion of the findings in relation to the hypothesis or questions originally posed.
14. **(e) Conclusion: a presentation:** a presentation of the contribution of the study to theory and or practice and the broad implications of the findings
- 11. Brief notes on general outline of a technical report.**
 - (i) **Summary of results:** a brief review of the main findings just in two or three pages.
 - (ii) **Nature of the study:** Description of the general objectives of the study, formulation of the problem in operations at terms, the working hypothesis, the type of analysis and data required, etc.,
 - (iii) **Methods employed:** Specific methods used in the study and their limitations for instance, in sampling studies we should give details of sample design viz., sample size , sample selection etc.,
 - (iv) **Data:** Discussion of data collected, their sources, characteristics and limitation. If secondary data are used, their suitability to the problem at hand be fully assessed . In case of a survey, the manner in which data were collected should be fully described.
 - (v) **Analysis of data and presentation of findings:** Analysis of data and presentation of findings of the study with supporting data in the form of tables and charts be fully narrated. This in fact, happens to be the main body of the report usually extending over several chapters.
 - (vi) **Conclusion:** Detailed summary of findings and the policy implications drawn from the results be explained.
 - (vii) **Bibliography:** these are various sources consulted be prepared and attached.
 - (viii) **Technical appendices:** appendices be given for all technical matters relating to questionnaire, mathematical derivations, elaborations on particular techniques of analysis and the like ones.
 - (Ix) **Index:** the order presented above only gives general idea of the nature of a technical report.
- 12. Write short notes on contents of research report.**

I. PREFATORY ITEMS:

1. Title page
2. Researcher's declaration
3. The certificate of the research supervisor
4. Acknowledgements
5. Table of contents
6. List of tables
7. List of graphs and charts
8. Abstract or synopsis

II. BODY OF THE REPORT:

A. INTRODUCTION:

1. Theoretical background of the topic
2. Statement of the problem
3. Review of literature
4. The scope of the present study
5. The objectives of the study
6. Hypothesis to be tested.
7. Definition of concepts
8. Mode if any

B. THE DESIGN OF THE STUDY:

1. Methodology (overall typology, Methods of data collection)
2. Sources of data
3. Sampling plan
4. Data collection instruments
5. Field work
6. Data processing and analysis plan
7. An overview of the report
8. Limitations of the study.

C. RESULTS AND DISCUSSIONS:

1. Findings and discussions

D. SUMMARY, CONCLUSIONS AND F RECOMMENDATIONS.

1. Terminal items:

- Bibliography
- Appendices

13. What Are The General Principles To Be Folowed For Report Presentation?

- **Language:** the language used should reach the reader without more difficult the grammatical presentation is also an important part in writing a report.
- **Abbreviations:** abbreviations words should be used only when they are conventional and familiar to the reader.
- **Physical measurement:** All physical measurement is to be stated in metric units.
- **Appendices:** the appendices may be given for all technical matters relating questionnaire, mathematical derivations, and elaborations on particular technique of analysis etc.,
- **Objective of the study:** a general view of how the problem arises and main aim of such project work also with specific objective of the study is mention under this heading.
- **Recommendation for action:** on the basis of the findings of the study is made to reader of the report.

- **Conclusions:** The conclusions of report of a summary of basics points uncovered by study and policy implication drawn from the results is explained here.
- **Typing:** In typing the manuscript, double-space all material.

12 Mark Questions:

1. Explicate the process of marketing research to handle a marketing problem.
2. What are the elements of marketing research? Explain.
3. List out the contents of a marketing research report.
4. Discuss online marketing process and its future in India.
5. Elucidate the emerging new trends and challenges to marketers.
6. Explain in detail the marketing research process.
7. Explain the elements of Marketing Research. What are the contents of Marketing research Report?
8. Discuss on Line marketing process & Its feature in India.
9. Discuss marketing strategies on individual product for marketing HE fashion garments.

CASE STUDY

1.AmulMilk

In March 2011, India's leading milk and milk products brand, Amul , launched a flavored yoghurt called Flaavyo. It was one of the several products that Amul had launched in a bid to connect with the youth in the country. Within a span of one year, Amul had introduced several new varieties of ice-cream and pro-biotic buttermilk targeted at this segment. It had also associated itself with Sauber, an F1 team from Switzerland, at the maiden Indian Grand Prix event . According to R S Sodhi (Sodhi),, managing director of Gujarat Cooperative Milk Marketing Federation (GCMMF), "The dull and conservative image associated with Amul products has to be rubbed off the minds of the youth. As a strategy, we have decided to communicate with the new generation more aggressively than ever before." Amul also went in for repackaging and rebranding several of its products in order to establish and maintain a connection with the target segment...

Questions:

1. Discuss the reasons for the repositioning of the Amul brand in Indian market.
2. Discuss how a traditional brand like Amul can be repositioned.
3. In what ways can Amul benefit from this move? Give reasons.

2. HONDA MOTOR SCOOTER INDIA

In May 2012, Honda Motor Scooter India Pvt Ltd (HMSI), the Indian subsidiary of Honda Motor Company Ltd. (HMCL), launched the Dream Yuga motorcycle in the Indian two wheeler market to attract mass and rural customers. Until the launch of the Dream Yuga, HMSI had sold its products only in the executive and premium segments and had set up stores only in Tier I cities of India. In 2012, it decided to focus on the mass and rural markets with the aim of gaining a leadership position in the Indian two wheeler market. It's sought to sell 300,000 Dream Yuga units by the end of 2012-13. HMSI wanted to displace Bajaj Auto and Hero MotoCorp to lead the Indian two wheeler market by 2020...

Questions:

1. Why did HMSI launch the Dream Yuga though it had the CB Twister in that segment?
2. Do you think launching an economy segment product will attract more customers to HMSI? Justify.
3. Do you think the Dream Yuga will be able to sustain itself in the economy segment given the fact that other players are offering more economical products? Justify.