

# MARKETING MANAGEMENT

## STUDY NOTES

- **Functions of Marketing**
  - Gathering and analysing market information
  - Marketing planning
  - Product designing and development
  - Standardisation and Grading
  - Customer support services
- **Marketing Management:** refers to planning, organising, directing and controlling the activities which facilitate exchange of goods and services between producers and consumers or users of products and services.
- **Marketing Management Philosophies**
  - **Production concept:** The firms following the production concept focus on Large-scale production to decrease the cost.
  - **Product concept:** Firms which follow the product concept propose that the way to realise business goals is by making products that are of high quality.
  - **Selling Concept:** The firms which follow the selling concept believe that in order to make a customer buy a product he or she needs to be convinced and customers can be convinced by undertaking some aggressive selling and promotional efforts.
  - **Marketing Concept:** The basic role of a firm is to 'identify a need and fill it'.
- **Societal Marketing Concept:** Customer satisfaction and social welfare.
- **Marketing Mix:** is the combination of variables chosen by a firm to prepare its market offering. Elements:
  - **Product:** means goods, services, etc. Product decisions include branding, labelling and packaging.
  - **Price:** Price affects the revenue and profits of the firm. Pricing decisions include:
    - (a) Setting the pricing objectives
    - (b) Determining the pricing strategies,
    - (c) Determining the factors affecting price
    - (d) Fixing a price
  - **Place/Physical Distribution:** includes four major activities—managing inventory, order processing, warehousing and transportation. It also includes decision regarding the channels of distribution such as retailers, wholesalers, agents, etc.
  - **Promotion:** Involves informing potential customers about the firm's product and persuading them to buy it.
- **Branding** is the process of giving a name or a sign or a symbol, etc. to a product.
  - **Characteristics of a good brand name:**
    - (a) It should be short, easy to pronounce, spell, recognise and remember e.g., VIP, Rin, Vim, etc.
    - (b) It should suggest the product's benefits and qualities. e.g., Rasika, Boost.
    - (c) It should be distinctive e.g., Safari, Zodiac.
    - (d) It should be adaptable to packaging or labelling requirements.

- **Packaging** means designing and producing the container or wrapper of a product.
- **Levels of packaging**
  - **Primary Packaging:** e.g. The ointment tubes. The product's immediate container.
  - **Secondary Packaging:** e.g. The Cardboard boxes. It is the additional layer of protection.
  - **Transportation Packaging:** e.g. The Corrugated box. It is necessary for storage, identification or transportation.
- **Functions of Packaging**
  - Product Identification
  - Product Protection
  - Product Promotion
  - Product Differentiation.
- **Labelling** means designing the label for the package.
  - **Functions:**
    - (a) It describes the product and specifies its contents, i.e., ingredients, net weight when packed, etc.
    - (b) It helps in identification of the product or brand.
    - (c) It helps in grading products into different categories, e.g., Brooke Bond Red Label, Yellow Label,.
    - (d) It helps in promotion of products by attracting attention, e.g., "Baalon Mein Dum, Life Mein Fun".
    - (e) It provides information required by law, e.g., date of manufacture, date of expiry, etc.
- **Factors Determining Fixation of Price**
  - Pricing objectives
  - Product cost
  - Competition
  - Utility and demand
- **Concept and Elements of Promotion Mix**
- **Promotion mix** refers to the combination of promotional tools used by an organisation to achieve its marketing objectives:
  - Advertising,
  - Personal Selling,
  - Sales Promotion, and
  - Public Relations.
- **Advertising:** is an impersonal form of communication, which is paid for by the marketers to promote goods or services.
- **Features of Advertising**
  - **Paid Form:** Advertising is a paid form of communication.
  - **Impersonal method of promotion:** There is no direct face-to-face contact between the buyer and the advertiser.
  - **Identified Sponsor:** Advertising is undertaken by some sponsor company who bears its cost also.
- **Personal Selling:** means oral presentation of a message with one or more customers for making sales.
- **Features of Personal Selling**
  - **Personal Form:** Direct face-to-face dialogue takes place between the seller and the buyer.
  - Development of Relationship with the customers, which become important in making sales.
- **Sales Promotion:** refers to short-term incentives to encourage the buyers to buy the product.
- **Public Relations:** involve a variety of programmes designed to promote or protect a company's image and its products in the eyes of the public.
  - **Press Relations:** The public relations department is in contact with the media to present a correct picture about the company.
  - **Product publicity:** The public relations department advises top management to sponsor sports events etc.

- **Corporate communication:** Company's image can be promoted through speeches by company's executives, interviews with TV channels, etc.
- **Lobbying:** Public relations professionals maintain a healthy relationship with government officials and ministers.
- **Counselling:** The public relations department advises contributing money for children's rights, education, etc.

## QUESTION BANK

### MULTIPLE CHOICE QUESTIONS

1. Consumers favour products the available and highly affordable improve production and distribution.
 

(a) Production concept	(b) Product concept
(c) Selling concept	(d) Marketing concept
2. Consumers favor products that offer the most quality, performance, and innovative features.
 

(a) Production concept	(b) Product concept
(c) Selling concept	(d) Marketing concept
3. Consumers will buy products only if the company promotes/sells this product.
 

(a) Production concept	(b) Product concept
(c) Selling concept	(d) Marketing concept
4. Which concept focused on needs/ wants of target markets & delivering satisfaction better than competitors.
 

(a) Production concept	(b) Product concept
(c) Selling concept	(d) Marketing concept
5. \_\_\_\_\_ the concept of marketing which pays attention to the Social, Ethical and ecological aspects of marketing along with consumer satisfaction.
 

(a) Societal marketing concept	(b) Sales
(c) Purchase	(d) Tax
6. It is the process of planning, organizing, directing and controlling activities, which facilitate exchange of goods and services. Name the process.
 

(a) Marketing management	(b) Business
(c) Profit	(d) Loss Bearing
7. Identify the functions of marketing involved in the following statements.  
 Marketers consider various factors such as total cost incurred, demand of the product competitor's policy, government policy etc. while performing this function of marketing.
 

(a) Market	(b) Competition	(c) Price Fixation	(d) Stock
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8. Identify the functions of marketing involved in the following statements.  
 Advertising, personal selling, sales promotion and public relation are four important tools of this function of marketing.
 

(a) Place mix	(b) Price mix	(c) Sales mix	(d) Promotion mix
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9. Which of the following plays an important role in introducing a new product to the consumers?
 

(a) Publicity	(b) Personal Selling
(c) Sales Promotion	(d) Advertisement
10. Name the element of promotion mix which involves minimum wastage of efforts:
 

(a) Advertising	(b) Sales Promotion	(c) Personal Selling	(d) Public Relations
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11. Sales promotion is helpful in making effective.
 

(a) Advertisement	(b) Personal selling
(c) Both the above	(d) Publicity

12. \_\_\_\_\_ can offer expert opinion to the consumers and can solve queries.  
 (a) Personal Selling (b) Sales  
 (c) Marketing (d) Promotion
13. \_\_\_\_\_ is the non-paid and non-personal form of promotional tool.  
 (a) Coupon (b) Discount (c) Rebate (d) Advertisement
14. Price Mix is the worth of a \_\_\_\_\_ in monetary terms.  
 (a) Product (b) Service (c) (a) or (b) (d) (a) and (b)
15. Johnson Control Ltd entered into the market with colored television and have now produced products like audio systems, air conditioners, washing machines etc. The company is not only offering after sales services Identify the element of marketing mix discussed here.  
 (a) Price mix (b) Promotion mix  
 (c) Product mix (d) Place mix
16. Radha found a worm crawling out of newly opened tetra pack of a juice manufactured by a reputed company, Zest ltd. She went back to the shop keeper from whom the pack was purchased who directed her to call up the customer care center. When all her efforts failed, she went to a customer activist group to seek help. The group decided to help Radha and take measures to impose restrictions on the sale of the firm S products of the particular batch and urge the customers to refrain from buying the products of the company. Zest Ltd, lost its image in the market. The CEO gives the responsibility of bringing back the lost image of the company to a Manager. Identify the concept of marketing management which will help the Manager getting the firm out of the above crisis.  
 (a) Public relations (b) Sale promotion  
 (c) Advertising (d) branding
17. Marketing can be best understood as  
 (a) Pre-production activity (b) Post production activity  
 (c) Pre and Post production activity (d) Selling activity
18. 'Products are not purchased but sold', with which point of view is this statement associated?  
 (a) Product (b) Sale (c) Production (d) Marketing
19. From the set of facts given in column I and corresponding relevant fact given in column II, choose the correct pair of statement:

Column I		Column II	
I.	Standardisation and grading	A.	Competitive Advantage
II.	Promotion	B.	To conduct SWOT analysis
III.	Gathering and Analysing marketing information	C.	To inform and persuade
IV.	Product Designing and Development	D.	Classification in to different groups

- (a) I – A, II – B, III – D, IV – C (b) I – C, II – D, III – B, IV – A  
 (c) I – D, II – C, III – B, IV – A (d) I – A, II – C, III – B, IV – D

20. From the set of facts given in column I and corresponding relevant fact given in column II, choose the correct pair of statement:

Column I		Column II	
I.	Price Mix	A.	Safety and attraction
II.	Promotion Mix	B.	Availability
III.	Place Mix	C.	Information
IV.	Product Mix	D.	Affordability

- (a) I – A, II – B, III – C, IV – D (b) I – D, II – C, III – B, IV – A  
 (c) I – D, II – A, III – B, IV – C (d) I – C, II – D, III – A, IV – B


21. The term used to indicate different features or quality of the product is  
 (a) Branding (b) Standardisation  
 (c) Simplification (d) Grading
22. Which element provides status symbol as the advantage to customer- U  
 (a) Branding (b) Packaging (c) Labelling (d) Sales promotion
23. Promotion refers to:  
 (a) Use of various gadgets to move forward  
 (b) Use of communication to inform the potential customers about the product  
 (c) Customers use various tools to know about the product  
 (d) Any reward given to producers
24. \_\_\_\_\_ refers to short term use of incentives or other promotion activities that seek to stimulate interest.  
 (a) Sales Promotion (b) Paid Promotion  
 (c) Free Promotion (d) Sales
25. \_\_\_\_\_ is refers to a set of decisions that need to be taken in order to make the product available to the consumers for purchase and consumption.  
 (a) Price mix (b) Place mix  
 (c) Promotion mix (d) Product mix
26. ITC started its business as Imperial Tobacco company in 1910 but was changed its name as ITC Ltd in 1974. Since then it has diversified its business into Hotel Industry, FMCG, stationery etc. Quality, timely availability and customer satisfaction has always been the motto of the company. The company has attained high name and fame in the market. Thus, it helps the customers in product identification, builds up their confidence and increases their level of satisfaction. Name that concept of product mix which assures quality and helps in product identification.  
 (a) Labelling (b) Packaging (c) Branding (d) Standardisation
27. A telephone company started to use interactive sites on the internet to gather customer views and opinions on the services provided by them as well as their expectations in order to take well informed decisions. Identify the function of marketing.  
 (a) Marketing Planning (b) Gathering and Analysing Market Information  
 (c) Customer support services (d) Standardisation and grading
28. A marketer of a colour TV, having 10% of the current market share aims at enhancing its market share to 20%. For this purpose, the marketer needs to develop a plan to increase the level of production, enhance the promotion of the products and also specify the action programmes to achieve these objectives. Identify the function of Marketing.  
 (a) Product Designing and Development (b) Gathering and Analysing Market Information  
 (c) Marketing Planning (d) Customer support services
29. Cadbury came up with a new chocolate, Oreo Silk. The bar is described as having a combination of crunchy biscuit and silky chocolate, taking the iconic sweet treat loved by all and adding a tasty cookie crunch. The brand is also launching packets of Cadbury Oreo Bites, which come with a crunchy Oreo filling, encased in a layer of chocolate. Identify the Function of Marketing in the above case.  
 (a) Product Designing and Development (b) Branding  
 (c) Packaging and Labelling (d) Standardisation and Grading
30. Refers to producing goods with predetermined specifications which helps in achieving uniformity and consistency in the output.  
 (a) Grading (b) Standardisation (c) Branding (d) Labelling
31. Is the process of classification of products into different groups, on the basis of some of its important characteristics such as quality, size, etc.  
 (a) Grading (b) Standardisation (c) Branding (d) Labelling

32. and are considered the pillars of marketing
- (a) Branding and Pricing (b) Packaging and Branding  
(c) Labelling and Branding (d) Packaging and Labelling
33. The supply chain development team for Nestlé's new "Nesquik" container achieved targeted sustainability and cost reduction goals by building on prior solutions and solving technical problems in order to develop a perfect container that ticked all the boxes. They eliminated a secondary labeling operation, reduced materials used, eliminated waste and contributed to a streamlined, highly automated production process. Identify the function of Marketing.
- (a) Product Designing and Development (b) Packaging and Labelling  
(c) Physical Distribution (d) Standardisation and Grading
34. Established in 1950 with a single store in Quincy, MA, Dunkin' Donuts is the world's biggest baked goods and coffee chain with more than 11,300 restaurants worldwide — 8,500-plus in the U.S., 3,200-plus across 36 countries. However, the company announced it would be changing its name to Dunkin', dropping the Donuts part. The company made this change to diversify the products that can come under it apart from donuts. Identify the function of Marketing.
- (a) Branding (b) Promotion  
(c) Packaging and Labelling (d) None of the Above
35. "Halifax Shopping Centre" is one of the premier shopping destinations in Eastern Canada. Faced with new and aggressive competition, they created a joint retailer task force in 2009 to come up with an effective, competitive marketing strategy. "The Belding Group of Companies" was invited to collaborate with "Halifax Shopping Centre" in designing and executing an effective retail development strategy which was eventually named the "Together We're More program". The year-long program helped build customer service levels, excitement in stores and throughout the shopping centre as retailers and individual employees were recognized and rewarded for providing WOW! experiences to customers. Identify the function of Marketing in the above case study.
- (a) Promotion (b) Branding  
(c) Customer Support services (d) None of the above
36. As the price decreases the demand
- (a) Increases (b) Decreases  
(c) Stays the Same (d) None
37. Which one of the following is not a method of Promotion?
- (a) Advertising (b) Personal Selling  
(c) Branding (d) Publicity
38. Which function of Marketing will a tea producer in Assam use to deliver its product to a customer in Tamil Nadu?
- (a) Promotion (b) Transportation  
(c) Customer Support Services (d) None of the above
39. The decision regarding the channels of distribution and the physical movement of the product comes under which function of marketing?
- (a) Physical Distribution (b) Storage and Warehousing  
(c) Transportation (d) None of the Above
40. There is a time gap between production/procurement of goods and their sales. Which function of marketing is required in order to maintain a smooth flow of products in the market and to ensure timely delivery of products
- (a) Branding (b) Promotion (c) Transportation (d) Storage and warehousing
41. In the process of marketing, the function of storage is performed by different agencies such as....
- (a) Manufacturers (b) Wholesalers (c) Retailers (d) All of the above
42. Which function of Marketing helps in product differentiation, i.e. providing basis for distinguishing the product of a firm with that of the competitor, which in turn, helps in building customer loyalty and promoting its sale?
- (a) Pricing (b) Branding (c) Packaging and Labelling (d) Customer Support Services

43. Those factors which can be influenced at the level of the firm are  
 (a) Non-Controllable Factors (b) Controllable Factors  
 (c) Environmental Variable (d) None of the Above
44. What concept helps to create a good market offer.  
 (a) Marketing Mix (b) Product Concept  
 (c) Production Concept (d) None of the above
45. Non-controllable factors are factors which affect the decisions made by a firm however cannot be controlled by the firm. They are also called \_\_\_\_\_  
 (a) Environmental variables (b) Uncontainable Factors  
 (c) Unmanageable Factors (d) None of the above
46. Political factors, government policies and economic factors like rate of inflation are.....  
 (a) Controllable factors (b) Demographic factors  
 (c) Non-Controllable factors (d) None of the above
47. Become marketing tools, which are constantly shaped and reshaped by marketing managers to achieve marketing success  
 (a) Environmental Variables (b) Controllable variables  
 (c) Demographic variables (d) None of the above
48. Hindustan Lever offers number of consumer products like toiletries (Close-up toothpaste, lifebuoy soap, etc), detergent powder (Surf, Wheel), food (Refined Vegetable oil)  
 Tata Steel offers Tata Steel, Trucks, Salt etc  
 LG offers televisions, refrigerators, colour monitors for computers etc  
 Identify the Element of Marketing mix mentioned above  
 (a) Price (b) Place (c) Promotion (d) Product
49. The concept of product relates to not only the physical product but also the benefits offered by it from Customer's point of view. True or False?  
 (a) True (b) False (c) May be (d) May not be
50. Jeff Bezos, Amazon's CEO, made headlines when he announced that the company would be selling the Kindle at cost. When a Kindle is purchased, Amazon does not make a profit. Amazon figured out that selling e-readers was just an entry point. Where the company turns a very large profit is when it sells e-books to Kindle owners. The company's strategy is therefore to have the highest market share possible in e-readers so that it can then dominate e-book sales and capture most of the profits in that category. Identify the element of marketing mix here  
 (a) Product (b) Price (c) Place (d) Promotion
51. Walmart has 11500 + retail units across the world under 63 banners in 28 countries, which include 4600+ Walmart US, 650 + Sam's club and 6200 + Walmart International outlets. The distribution strategy includes direct delivery to stores by vendors who are the suppliers of the retail stores. The products are delivered in huge volumes to the stores. There are over 150 distribution centres of Walmart which use cross docking method. The hub & spoke method is used by Walmart wherein the goods are centrally ordered and then sent to individual stores. The transportation is achieved through a fleet of 6,100 tractors, 61,000 trailers and more than 7,800 drivers. Identify the element of Marketing Mix  
 (a) Product (b) Price (c) Place (d) Promotion
52. In 2013 Apple made an advertisement "Misunderstood" . It was a Christmas ad, which went on to win an Emmy Award for the year's most "Outstanding Commercial." In the 9- second video, a teenage boy seems overly preoccupied with his iPhone during the holiday season. However, it eventually turns out that he has been spending his time creating a heart-warming family movie, which is revealed on Christmas day. Identify the element of the marketing mix used by Apple  
 (a) Place (b) Price (c) Product (d) Promotion

53. refers to short term incentives, which are designed to encourage the buyers to make immediate purchase of a product or service.  
 (a) Personal Selling (b) Publicity (c) Sales Promotion (d) None of the above
54. \_\_\_\_\_ is the use of communication with the twin objective of informing potential customers about a product and persuading them to buy it.  
 (a) Price (b) Promotion (c) Place (d) Product
55. Which of the following is not a part of the promotion mix?  
 (a) Advertising (b) Personal Selling  
 (c) Public Relations (d) Sales Promotions
56. Which of the following is a technique of sales promotion?  
 (a) Magazine advertisement (b) Discount on product  
 (c) News article about product (d) Phone call to customer about product
57. "Publicity is an oral presentation of message in the form of conversation with one or more prospective customers for the purpose of making sales". True or False?  
 (a) True (b) False (c) May be (d) May not be
58. \_\_\_\_\_ is a variety of programmes designed to promote or protect a company's image and its individual products in the eyes of the public.  
 (a) Publicity (b) Promotion (c) Personal Selling (d) Public Relations
59. Which of the following is not a function of public relations?  
 (a) Press relations (b) Corporate Communication  
 (c) Identifying needs (d) Counselling
60. When we buy a product our decisions are based on the product's ?  
 (a) Brand name (b) Packaging (c) Guaranty (d) All of the above
61. Product is a word used for  
 (a) Tangible attributes of a product  
 (b) Intangible attributes of a product  
 (c) Both tangible and intangible attributes of a product  
 (d) Depends on commodity to commodity
62. Can an idea be a product  
 (a) Yes (b) No (c) May be (d) May not be
63. 'A product is a bundle of utilities' as per  
 (a) Consumer point of view (b) seller 's point of view  
 (c) Both (d) Product is not a bundle of utilities
64. Purchase of a coloured TV by a consumer may seek to satisfy the type benefit:  
 (a) Functional benefits (b) Social benefits  
 (c) Psychological benefits (d) All of the above
65. 'Speakers' is a  
 (a) Generic name (b) Brand name  
 (c) Trade name (d) Brand mark
66. Generic name refers to the name of the whole class of products  
 (a) True (b) False (c) May be (d) May not be
67. If products are sold by generic name , it would be  
 (a) Easy to sell them (b) Difficult to sell  
 (c) Depends on commodity (d) Can't say



68. The process of giving name or a sign or a symbol to a product is called  
 (a) Producing (b) Branding (c) Symbolising (d) Naming
69. The image shown is  
 (a) Brand name  
 (b) Label  
 (c) Brand mark  
 (d) Trade mark
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70. 'Lays' is  
 (a) Brand name (b) Brand mark (c) Label (d) Trade mark
71. Legal protection of a brand is given by  
 (a) Trademark (b) Label (c) Brand name (d) Brand mark
72. A good brand name is  
 (a) Easy to pronounce  
 (b) Distinctive  
 (c) Must be an unpronounceable name by most of the people  
 (d) Easy to pronounce and distinctive
73. Packing refers to  
 (a) The act of designing and producing a wrapper for a product  
 (b) The act of wrapping the product  
 (c) The act of designing a label  
 (d) The act of making a logo
74. Packing plays an important role in marketing \_\_\_\_\_ or \_\_\_\_\_ of the product  
 (a) Success, failure (b) Launch, making  
 (c) Durability, non durability (d) None of the above
75. How many levels of packing exist?  
 (a) 2 (b) 3 (c) 7 (d) 6
76. Primary packing refers to  
 (a) Immediate container of the product (b) The product itself  
 (c) None of the above (d) Can be both of the above
77. Secondary packaging is done to  
 (a) Protect the product  
 (b) Make the product look nice  
 (c) Make an illusion of product having a lot of contents  
 (d) All of the above
78. Market refers to a set of \_\_\_\_\_ and \_\_\_\_\_ buyers and sellers of a product/service.  
 (a) real and fake (b) rich and poor  
 (c) actual, potential (d) none of the above
79. The 'God of Marketing' is:  
 (a) Anita Roddick (b) Philip Kotler (c) Alan Sugar (d) Sara Blakely
80. Which of the following is not a part of marketing activity?  
 (a) Selling (b) Advertising  
 (c) Target market selection (d) Packaging
81. The essence of marketing is  
 (a) Buying (b) exchange (c) selling (d) advertising

82. How many conditions should be satisfied for any exchange to take place?  
 (a) 2 (b) 4 (c) 5 (d) 8
83. what is referred to as a 'bundle of utilities'  
 (a) Product (b) Place (c) Price (d) Promotion
84. In which of the following cases the buyer doesn't take more active part in the process of exchange  
 (a) War equipments (b) Nuclear fuel  
 (c) Cooking oil (d) None of the above
85. Which of the following is a product market?  
 (a) National market (b) Consumer market (c) Wholesale market (d) Share market
86. The no. of Marketing Activities are:  
 (a) 10 (b) 9 (c) 8 (d) 7
87. Which of the following is not a feature of marketing?  
 (a) Needs and wants (b) Gathering and Analysis of market information  
 (c) Exchange mechanism (d) Customer value
88. According to Philip Kotler's definition of marketing, marketing is a  
 (a) economic process (b) social process  
 (c) socio-economic process (d) none of the above
89. State of felt deprivation is a  
 (a) Want (b) Need (c) Both (d) None
90. Tangible products are those which  
 (a) can't be felt but can be seen (b) can't be seen but can be felt  
 (c) can be felt and seen (d) None of the above
91. The seller is always the marketer  
 (a) true (b) False (c) Sometimes (d) I don't know
92. Choose the odd one out:  
 (a) Motor cycle (b) Cell phone  
 (c) Insurance (d) Television

### INPUT-TEXT BASED MCQs

**Read the following text and answer the following questions (93 to 96) on the basis of the same:**

It is an undisputed fact that a company's survival does not depend upon its consumers alone, but a diverse set of stakeholders like the government, religious leaders, social activists, NGOs, media, etc. Hence, earning the satisfaction of these segments is also as imperative as they add to the power of the brand by word of mouth. The social concern adds to the strength of the brand. Corporates that embraced the deepest social values, have been successful in building powerful brand, and, eventually, robust customer relationship. The area of corporate social justice fall under two broad categories. The issues such as the nutrition of children, child care, old-age homes, amelioration of hunger, offering aid to those affected by natural calamities, etc. needing instant attention with humanitarian perspective, comes under the first category. The issues that contribute to making society a pleasant place to live in the long run, may be grouped under the second category. The issues which come under this category are health awareness and aid, education, environmental protection, women's employment and empowerment, preventing unjust discriminations (on the basis of caste, community, religion, ethnicity, race, and sex), eradication of poverty through employment, preservation of culture, values, and ethics, contribution to research, etc. Procter and Gamble's (P&G) philosophy is that it should lead the industry in implementing a global environmental programme. P&G is one of the first companies in the world to actively study the influence of consumer products on the environment and introduce concentrated products, recycled plastic bottles, and refill packages to the industry. P&G contributes to sustainable development and addresses environmental and social issues connected with its products and services. Source: Adapted from 'Effective Executive'

93. Which of the following statements is not true with regard to the concept of product?
- (a) It is a bundle of utility (b) It is a source of satisfaction  
(c) It is confined to physical product (d) All of the above
94. The term 'market' may be understood in which of the following contexts?
- (a) Geographical area covered (b) Type of buyers  
(c) Quantity of goods transacted (d) All of the above
95. According to the modern marketing concept, which of the following statements is true?
- (a) It refers to the group of people who do not have the ability but willingness to buy a particular product.  
(b) It refers to only the set of people who have the purchasing power to buy a particular product.  
(c) It refers to the set of actual and potential buyers for a product.  
(d) It refers only to the people who show interest in a particular product.
96. Which of the following is a feature of marketing process?
- (a) Satisfying needs and wants of the consumers  
(b) Creating a market offering  
(c) Developing an exchange mechanism  
(d) All of the above

**Read the following text and answer the following questions (97 to 100) on the basis of the same:**

97. Which of the following statements does not reflect a condition to be satisfied for an exchange to take place?
- (a) Involvement of at least two parties- the buyer and the seller- is mandatory.  
(b) Each party should be capable of offering something of value to the other.  
(c) Exchange can take place if the buyers and sellers are not able to communicate with each other.  
(d) Each party should have freedom to accept or reject other party's offer.
98. Which of the following can be marketed?
- (a) Red Cross society persuading to donate blood.  
(b) Kerala Tourism persuading people to visit Kerala for health tourism.  
(c) Political parties persuading to vote for a particular candidate.  
(d) All of the above
99. In order to promote the habit of health and hygiene among weaker sections of the society, Abhyas Limited has launched low cost packs of hand wash. Identify the type of marketing philosophy being adopted by the company.
- (a) Product concept (b) Production concept  
(c) Marketing concept (d) Societal marketing concept
100. Identify the component of branding being depicted below.
- (a) Brand name (b) Brand mark  
(c) Trademark (d) Generic name



**Read the following text and answer the following questions (101 to 105) on the basis of the same:**

In the traditional sense, the term 'market' refers to the place where buyers and sellers gather to enter into transactions involving the exchange of goods and services. It is in this sense that this term is being used in day to day language, even today. The other ways in which this term is being used is in the context of a product market (cotton market, gold or share market), geographic market (national and international market), type of buyers (consumer market and industrial market) and the quantity of goods transacted (retail market and wholesale market). But in modern marketing sense, the term market has a broader meaning. It refers to a set of actual and potential buyers of a product or service. For example, when a fashion designer designs a new dress and offers it for exchange, all the people who are willing to buy and offer some value for it can be stated to be the market for that dress. Similarly, market for fans or bicycles or electric bulbs or shampoos refers to all the actual and potential buyers for these products. marketing is a social process where in people interact with others, in order to persuade them to act in a particular way, say to purchase a product or a service, rather than forcing them to do so. Needs are basic to human beings and do not pertain to a particular product. Wants, on the other hand, are culturally defined objects

that are potential satisfiers of needs. In other words, human needs shaped by such factors as culture, personality and religion are called wants. A basic need for food, for example, may take various forms such as want for dosa and rice for a South Indian and chapatti and vegetables for a North Indian person. A marketer's job in an organisation is to identify needs of the target customers and develop products and services that satisfy such needs.

101. What does the symbol given below denote?

- (a) Brand name
- (b) Brand mark
- (c) Trademark
- (d) Generic name



102. The labelling of a pack of oats cookies explains how the product is beneficial in adding fibre to the diet and the other related health benefits. Identify the related function of labelling being described in the given case.

- (a) Describes the product and specifies its content
- (b) Identification of the product or brand
- (c) Grading of products
- (d) Helps in promotion of the products

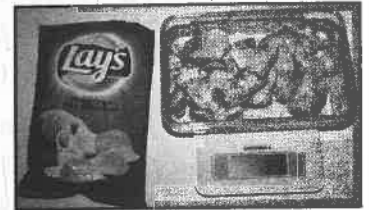
103. Identify the component of promotion mix being described in the given exhibit?

- (a) Advertising
- (b) Sales Promotion
- (c) Public relation
- (d) Personal selling



104. Identify the related function of labelling being depicted below as given on the pack of the chips.

- (a) Describes the product and specifies its content
- (b) Grading of products
- (c) Helps in promotion of the products
- (d) Identification of the product or brand



105. Under which of the following conditions is a marketer not likely to fix the price of his products at higher end?

- (a) When he faces high degree of competition
- (b) When he wants to attain market share leadership
- (c) When the product is unique in terms of packaging, product difference and product differentiation
- (d) When the demand for the product is low

**Read the following text and answer the following questions (106 to 108) on the basis of the same:**

Many people confuse 'selling' for 'marketing'. They consider these two terms as one and the same. Marketing refers to a large set of activities of which selling is just one part. For example, a marketer of televisions, before making the sale, does a lot of other activities such as planning the type and model of televisions to be produced, the price at which it would be sold and selecting the distribution outlets at which the same would be available, etc. In short, marketing involves whole range of activities relating to planning, pricing, promoting and distributing the products that satisfy customer's needs. The function of selling, on the other hand, is restricted to promotion of goods and services through salesmanship, advertising, publicity and short-term incentives so that title of the product is transferred from seller to buyer or in other words product is converted into cash. Industrial products are those products, which are used as inputs in producing other products. The examples of such products are raw materials, engines, lubricants, machines, tools, etc. In other words, industrial products are meant for non-personal and business use for producing other products. The market for industrial products consists of manufacturers, transport agencies, banks and insurance companies, mining companies and public utilities. Industrial products are those products, which are used as inputs in producing other products.

106. Under which of the following situations is a company not likely to fix a lower price for its product?

- (a) When the competition has introduced a substitute product
- (b) If the demand for a product is inelastic
- (c) When the company wants to attain market share leadership
- (d) When the demand for the product is low

107. Under which of the following conditions will the company not be able to provide high level of customer services?  
 (a) When it maintains high level of inventory (b) When it maintains low level of inventory  
 (c) When it owns large number of warehouses (d) None of the above
108. Under which of the following conditions does a business need not maintain high level of inventory?  
 (a) When higher level of customer services need to be provided  
 (b) When high degree of accurate sales forecast can be made  
 (c) When the responsiveness of the distribution system is low  
 (d) All of the above

## ANSWERS

### Multiple Choice Questions

- |         |         |         |         |         |         |         |         |         |         |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1. (a)  | 2. (b)  | 3. (c)  | 4. (d)  | 5. (a)  | 6. (a)  | 7. (c)  | 8. (d)  | 9. (d)  | 10. (c) |
| 11. (c) | 12. (a) | 13. (d) | 14. (c) | 15. (c) | 16. (a) | 17. (c) | 18. (b) | 19. (c) | 20. (b) |
| 21. (d) | 22. (a) | 23. (b) | 24. (a) | 25. (b) | 26. (b) | 27. (b) | 28. (c) | 29. (a) | 30. (b) |
| 31. (a) | 32. (d) | 33. (b) | 34. (a) | 35. (c) | 36. (a) | 37. (c) | 38. (b) | 39. (a) | 40. (d) |
| 41. (d) | 42. (b) | 43. (b) | 44. (a) | 45. (a) | 46. (c) | 47. (b) | 48. (d) | 49. (a) | 50. (b) |
| 51. (c) | 52. (d) | 53. (c) | 54. (b) | 55. (c) | 56. (b) | 57. (b) | 58. (d) | 59. (c) | 60. (d) |
| 61. (c) | 62. (a) | 63. (a) | 64. (d) | 65. (a) | 66. (a) | 67. (b) | 68. (b) | 69. (c) | 70. (a) |
| 71. (a) | 72. (d) | 73. (a) | 74. (a) | 75. (b) | 76. (a) | 77. (a) | 78. (c) | 79. (b) | 80. (c) |
| 81. (b) | 82. (c) | 83. (a) | 84. (c) | 85. (d) | 86. (c) | 87. (b) | 88. (b) | 89. (b) | 90. (c) |
| 91. (c) | 92. (c) |         |         |         |         |         |         |         |         |

### Input-Text Based MCQs

- |          |          |          |          |          |          |         |          |          |          |
|----------|----------|----------|----------|----------|----------|---------|----------|----------|----------|
| 93. (c)  | 94. (d)  | 95. (c)  | 96. (d)  | 97. (c)  | 98. (d)  | 99. (b) | 100. (b) | 101. (c) | 102. (d) |
| 103. (b) | 104. (c) | 105. (c) | 106. (b) | 107. (b) | 108. (b) |         |          |          |          |

## EXPLANATION TO SOME SELECTED QUESTIONS

67. (i) (c) It includes both tangible and intangible attributes

