



MARKETING FOR MANAGERS

M.S.-6

**Chapter Wise Reference Book
Including Solved Sample Papers**

By: Pooja Dasani, M.Com., M.Ed.

Based on

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Sample Preview of the Solved Sample Question Papers

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QUESTION PAPER

*Exam Held in
February – 2021*

(Solved)

MARKETING FOR MANAGERS

M.S.-6

Time: 3 Hours]

[Maximum Marks: 100

(Weightage 70%)

Note : (i) Attempt any three questions from Section A.

(ii) Section B is compulsory.

(iii) All questions carry equal marks.

SECTION-A

Q. 1. (a) What is Marketing? Explain the term market offering giving a recent example of a market offering that has satisfied your need or wants.

Ans. Ref.: See Chapter-1, Page No. 1, 'The Meaning of Marketing' and Page No. 2, Q. No. 1.

(b) Discuss the psychological factors influencing consumer buying behaviour. Explain their importance to marketers.

Ans. Ref.: See Chapter-8, Page No. 44, 'Factors Influencing Behaviours' and 'Psychological Factors'.

Q. 2. (a) Explain the concept of product mix by giving suitable examples. How and when does product diversification help the firm as a tool for market development?

Ans. Product mix, also known as product assortment, refers to the total number of product lines that a company offers to its customers. For example, a small company may sell multiple lines of products. Sometimes, these product lines are fairly similar, such as dish washing liquid and bar soap, which are used for cleaning and use similar technologies. Other times, the product lines are vastly different, such as diapers and razors. The four dimensions to a company's product mix include width, length, depth and consistency.

Diversification is a corporate strategy to enter into a new market or industry which the business is not currently in, whilst also creating a new product for that new market. This is most risky section of the Ansoff Matrix, as the business has no experience in the new market and does not know if the product is going to be successful.

Product diversification involves addition of new products to existing products either being manufactured or being marketed. Expansion of the existing product line with related products is one such method adopted by many businesses. Adding tooth brushes to toothpaste or tooth powders or mouthwash under the same brand or under different brands aimed at different segments is one way of diversification. These are either brand extensions or product extensions to increase the volume of sales and the number of customers.

(b) Discuss the various elements of promotion mix that are available to the marketers. Comment on the merits and limitations of each of these elements.

Ans. Ref.: See Chapter-15, Page No. 89, 'The Promotion Mix'.

Q. 3. (a) What is Sales Forecasting? Explain any two methods of sales forecasting.

Ans. Ref.: See Chapter-18, Page No. 106, 'What is Sales Forecast?', Page No. 107, 'Methods of Sales Forecasting' and Page No. 109, Q. No. 3 and Q. No. 4.

(b) What is Marketing Research? With a suitable example, explain how marketing research helps a manager in the decision-making process.

Ans. Ref.: See Chapter-7, Page No. 37, 'Definition of Marketing Research', 'The Purpose of Marketing Research' and Page No. 40, Q. No. 1.

Q. 4. Write short notes on the following :

(a) Reasons for growth of the service sector

Ans. Ref.: See Chapter-3, Page No. 11, 'The Concept of Service' and 'Reasons for the Growth of the Service Sector'.

(b) Market Segmentation vs. Product Differentiation.

Ans. Ref.: See Chapter-5, Page No. 24, 'Market Segmentation *Versus* Product Differentiation'.

(c) Types of purchase decisions

Ans. Ref.: See Chapter-9, Page No. 50, 'Levels of Consumer Decisions' and 'Types of Purchase Behaviour'.

(d) Functions of packaging

Ans. Ref.: See Chapter-13, Page No. 75, 'Functions of Packaging'.

(e) Objectives of pricing policy

Ans. Ref.: See Chapter-14, Page No. 82, 'Objectives of Pricing Policy'.

SECTION-B

Q. 5. Lifeline is a fast growing kitchen appliances premium brand. It offers a wide range of appliances and is now poised to tap and offer its product offerings as corporate gifting especially for the festive seasons and also for other occasions and celebrations with a base line which says:

"Smart Gifts for Smart Kitchens" clearly conveying its purpose.

Looking at the huge potential, the company now wishes to capture this market as a long-term strategy to contribute substantially to the overall business. As a manager exclusively handling this segment propose the following:

Questions:

(a) Suggest marketing mix elements emphasizing on pricing, promotion and distribution aspects.

Ans. Marketing strategies are the sum totals of all those activities which are directed towards achieving an organization marketing goals. The marketing strategies establish what kind of activities an organization will be engaged in the area of marketing and its objectives for each of such activities. Marketing strategies also include the formulation of marketing programmes and their implementation. Kitchen Appliances are pieces of instruments, device and equipments for performances of Kitchen chores. The study deals with the present marketing strategies adopted by leading manufacturers to market Lifeline Kitchen Appliances. The study includes pricing, placing and product strategies and also marketing communication and sales promotions.

Also Ref.: See Chapter-4, Page No. 17, 'The Elements of The Marketing Mix'.

(b) The packaging decisions that you would consider and why?

Ans. Packaging serves many purposes. It protects the product like kitchen appliances from damage which could be incurred in handling and transportation and also has a promotional aspect. The packaging decisions regarding kitchen appliances must be taken on the basis of size, unit type, weight and volume. Also, for aircraft cargo the package needs to be light but strong, for sea cargo containers are often the best form. The customer may also decide the best form of packaging. Biodegradable, recyclable, reusable packaging must be used for the sake of the environment.

Also Ref.: See Chapter-13, Page No. 75, 'Functions of Packaging'.



Sample Preview of The Chapter

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MARKETING FOR MANAGERS

MARKETING AND ITS APPLICATIONS

1

Introduction to Marketing

INTRODUCTION

One of the most dynamic fields in business and entrepreneurship is marketing. A creative area that involves constant application of skills, innovative methods and intellect, it is exercised by managers in all business organisations. Familiarisation with various aspects of marketing enable managers to accomplish organisational goals and objectives along with satisfaction of consumer needs. A thorough understanding of the various aspects of marketing helps an individual to gain competence in handling the demand and supply in the market profitably. It also gives an insight into the minds of the prospective consumers and thereby increases the success in meeting the objective of profit maximization.

CHAPTER AT A GLANCE

THE MEANING OF MARKETING

A Layman, in fact, even most individuals engaged in business would immediately relate the term marketing to selling or advertising. Many people tend to regard marketing as synonymous to selling.

What is our perception of marketing? Well, marketing certainly includes selling and advertising, but it is definitely much more than these two activities. Let us clarify the concept of marketing by looking at some of the definitions of this term.

The American Marketing Association defines marketing as “Marketing is the performance of business

activities that direct the flow of goods and services from producer to consumer or user.”

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

The above definitions of marketing make it evident that marketing starts with determining what is needed and goes on to ensuring that it is provided. In case of advertising agencies or personal selling, however, marketing would start with the product.

Human Needs and Marketing Concept: As an entrepreneur you may decide to launch your own brand of mobile phones only once you have analysed the section of population which will be your target market and subsequently identified their requirements so that you can best serve their needs.

Needless to say, the whole concept of marketing revolves around the existence and identification of human needs. Let us go further and define a need. In simple words, simply, a need is a state of felt deprivation which leaves a person dissatisfied. Maslow’s need hierarchy categorises needs into Physiological needs, Safety needs, Social needs, Esteem needs and Self-actualisation needs. Examples are food and shelter for Physiological needs and affection and belonging for Social needs.

Marketing is a highly useful activity because it identifies and satisfies needs lying latent in human beings. A person will move to the next need, once his

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current need has been satisfied. Thus, if the need lying dormant can be identified then a strategy can be developed to convert it into a want thereby leading to the creation of demand for a product.

However, a want will be converted into demand only when the willingness to buy is accompanied by the ability to buy. In other words, a person will buy something only when it can be afforded financially. Marketing thus becomes fruitful when a person decides to satisfy a need and a subsequent exchange takes place. This also clarifies Kotler's definition of marketing discussed earlier.

To conclude, we can say that marketing is essentially a process. The process oriented definition would imply that it is the process of identifying consumer needs, converting them into products or services and ensuring the satisfaction of needs profitably.

Although, it was earlier thought that production was a more important function than marketing, it is now believed that unless a product satisfies a need it will never sell and therefore customer oriented approaches have to be developed.

THE MARKETING MIX

According to Kotler, "Marketing Mix can be defined as the set of marketing tools that the firm uses to pursue its marketing objectives in the target market."

The **Marketing Mix** of an organisation is the combination of four basic elements: the product, price, promotion and place which are also called the 4Ps of marketing. They are used to develop an effective offer for the consumers.

Product refers to what the buyer buys and the seller sells. It can be a Good or a Service. Decisions related to products are very important for any organisation as once a product is developed its ability to satisfy the consumer has to be judged and modifications have to be made if needed.

Price is the value of the product or what the seller charges from the buyer. This is an important decision as price provides revenue to an organisation.

Promotion refers to all those activities which generate awareness of the product among the consumers and are aimed at informing as well as influencing them to buy the product. An organisation may use advertising, sales promotion or personal selling to communicate with the prospective customers.

Physical Distribution refers to decisions that are taken to make the product available to the consumers. It involves deciding upon the channels of distribution as well as the physical distribution of products.

THE MARKETING STRATEGY

In order to ensure that the marketing mix tools are effectively directed towards the target market, a strategy has to be developed. In other words, a marketing strategy means directing the relevant aspects of product, price, place and promotion towards satisfying consumers. For example: an organisation's marketing strategy will answer questions like who are the consumers? What do they want? Which channel of distribution should be used? What price should be fixed? How to promote the product? etc.

The marketing strategy will begin with market segmentation or identifying the target market so that there is no wastage of effort as the potential customers are clearly defined. For example: If an organisation decides to introduce a moisturizer for working women in their middle ages then it will develop the product according to the target market. Since it is a product for middle aged women an anti aging treatment will be preferred. The price will be fixed keeping in mind the economic status of the target market along with other factors. Then, a suitable media for promotion will have to be chosen like women's magazines. Last, but not the least a decision regarding where to sell the product from will have to be taken, say, shopping malls.

It can be clearly seen that marketing is a broad term which encompasses many aspects and affects the entire organisation. Essentially it emphasises on satisfaction of customer wants and needs so that the long-term survival of business can be ensured.

SELF-ASSESSMENT QUESTIONS

Q. 1. Do you agree with the definitions of marketing given by Kotler and American Marketing Association text? Give your comments. Identify at least 20 products and services that are being currently marketed in India.

Ans. Yes, the definitions of marketing as given by AMA and Kotler provide a comprehensive view of the concept of marketing. They clearly indicate that marketing is much more than mere selling or advertising. In fact marketing includes all those activities that are involved in ensuring the satisfaction of consumer wants. Examples of products and services being marketed in India are: Reynolds pens, Nokia mobiles, Reader's Digest magazine, Samsung Television, Godrej locks, Videocon Washing machine, Delhi Transport

Corporation, Raj tours and travels, Bata Shoes, Reliance Communication, Bajaj Scooters, Maruti Cars, HCL Computers, Natraj Pencils, Airtel Network, Radio Taxi, Sony Stereo, Atlas Cycles, Ramashwar Caterers and Gitanjali Jewellery.

Q. 2. Fill in the information under the following heads keeping a product launch as a guideline:

- (a) What precedes a product decision?
- (b) What are the various marketing activities?
- (c) What happens once the product reaches the consumer?

Ans. Let us assume that you are launching a new mobile.

- (a) **What precedes a product decision?**
Market survey, Identifying consumer needs, Study available alternatives, Evaluate strength of competition.
- (b) **What are the various marketing activities?**
Production, Branding, Labeling, Packaging, Distribution, Promotion and selling.
- (c) **What happens once the product reaches the consumer?**
Profitable sale, after-sales services.

Q. 3. (i) Write down the characteristics of a group of customers for whom you wish to market perfumes.

(ii) Can you describe the bottle you would use?

Q. 4. Define Marketing and distinguish it from selling.

Ans. According to the American Marketing Association, “Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user.”

(iii) As against this, had you selected men as your customer, what type of bottle would you have selected?

(iv) In connection with promotion list the magazines and newspapers that you would use.

(v) What would be your advertisement line?

(vi) Suppose the total cost per unit is Rs. 6, at what price would you offer this product? Suppose the margin of profit which would satisfy you is Rs. 2, would you offer this at Rs. 8?

Ans. (i) Women, High Income, Metro cities, Young, Working in MNC, Active social life.

(ii) Cylindrical, Small sized, transparent glass bottle, pearl coloured bottle cap suggestive of delicacy.

(iii) Rectangular, Medium sized, black painted glass, steel coloured cap.

(iv) Elle, Cosmopolitan, Marie-Claire, Delhi Times, Metro Now.

(v) Smell fresh, Feel fresh.

(vi) Yes, because the price can't be too low as we have to attract working women of large cities who will want an exclusive product. It also satisfies our profit requirements. Lastly, price of competitors will have to be surveyed and care has to be taken that it is not much higher or lower than their products. Too high a price will decrease demand and too low a price might harm the exclusive image of the product.

Basis	Marketing	Selling
Scope	Marketing is a wider term that includes selling and aims to satisfy the needs of customers.	Selling is a narrow term and is that part of marketing which is concerned with persuading the customer to buy the product and converting it into revenue.
Focus	Marketing focuses on profit through customer satisfaction.	Selling focuses on profit through sales volume.
Start of activity	Marketing starts with the need of the consumer.	Selling starts with the product.
Strategy	Marketing uses integrated marketing efforts.	Selling uses persuasion and pressure.
Demand	Marketing focuses on creation and maintenance of consumer demand.	Selling presupposes the existence of demand of the product.

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Q. 5. As an illustration, take the consumer item 'after-shave lotion'. Design your marketing strategy, describing the steps in the marketing process starting with defining of the 'Four Ps' in Marketing and ending with the ultimate objectives of marketing.

Ans. The marketing process starts with defining the target market. Suppose the After-shave lotion is targeted at young professionals in metro cities. The market segmentation would probably be men below forty who are professionals and live in large cities.

Product: The product would be strong and spicy in fragrance. It would be in an opaque bottle with a convenient dispenser. Colour of the bottle may be white, grey or black.

Price: The price would be Rs. 50 to cover the cost price of Rs. 35 and the competitor's average price which is that Rs. 45. Since it is aimed at professionals, it is assumed salary brackets will be at a higher end and having a price slightly higher than the competitor's will be acceptable if the product promises certain exclusive features.

Place: The lotion can be sold through retailers at leading chemists and departmental stores across all major cities.

Promotion: Magazines like GQ, India Today, Autocar, Business World can be used. The Economic Times and The Times of India are popular newspaper alternatives for promotion.



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