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Code Number	SET A
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INDIAN SCHOOL MUSCAT SECOND PERIODIC TEST



ENTREPRENEURSHIP

CLASS: XII

Sub. Code: 066

Time Allotted: 50 mts

13.09.2018

Max. Marks: 20

General Instructions:

- (i) All questions are compulsory
- (ii) Marks are given at the end of each question.
- (iii) Answers should be brief and to the point.

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| 1 | Enlist any two factors determining effective employee relationship. | 1 |
| 2 | What is AIDA? | 1 |
| 3 | What is the purpose of logo? | 1 |
| 4 | What is branding? How is it useful? | 2 |
| 5 | <p>Rohan after completing MBA from IIM Kolkata has joined a multinational company in the capacity of Marketing Manager. The company deals in diversified range of products. It deals with electronic items (like LED bulbs, blenders etc.) engineering good, along with heavy machinery to be used in chemical industries. He has to decide the channels of distribution best suited for the company's product. Therefore, Rohan decided to use wholesalers and retailers for electronic goods and engineering goods and direct selling for heavy machinery.</p> <p>(i) Identify the element of marketing mix discussed above.</p> <p>(ii) Name the types of the identified components used by Rohan</p> | 2 |
| 6 | <p>Mohan a small entrepreneur is manufacturing portable fans with the brand name 'P-FAN'. These fans are in great demand. He finds that the cost of production per unit of the fan is Rs.800 and he can sell the same at Rs.1000 per fan. The competitors in the market are selling this type of fan at the rate of Rs.1200. Mohan's objective is not to earn profit in the short run but to capture the largest market share. His expectation is that the customers will be attracted towards the new brand because of lower price.</p> <p>Identify the method of pricing adopted by Mohan to capture the substantial portion of the market. Also state any two advantages of this method of pricing.</p> | 3 |
| 7 | Explain any four factors to be taken into consideration for selecting channels of distribution related to a market. | 4 |

- 8 Raghav after doing his B.Pharm Degree from a reputed government college started two chemist shops in two different localities of his home town. Encouraged with the success of these shops, he started six more shops in different cities of the state. His strategy was to cut price, focus on lower and middle class patients and open shops near hospitals. He opened on very thin margins. But he was not able to maintain sufficient funds to meet the day to day expenses of the business. The staff of the shops did not give much attention to the customers and there was very poor system of control. Because of this mismanagement he started incurring huge losses and his business failed. Based on the above paragraph identify and explain the causes of business failure of Raghav 6

End of the Question Paper