

INDIAN SCHOOL MUSCAT
CLASS: 12
SECOND PRE – BOARD EXAMINATION
 Subject -MARKETING(812)
SET - A

QP.NO.	VALUE POINTS	SPLIT UP MARKS
1.	b) declarative	1
2.	Yoga	1
3.	a) yes	1
4.	d) All of the above	1
5.	a) Reduce, Reuse ,Recycle	1
6.	d) Cell	1
7.	a. Focus Attention: Listening to Connect. Before the conversation commences you must focus all your energy on the other person. b. Interpret the Meaning. c. Acknowledge the Speaker's Point of View. ... d. Confirm Your Understanding.	½ mark each
8.	In the dialog box that opens, browse to the picture that you want to insert, select that picture, and then drag it onto slide. To insert multiple pictures at the same time, press and hold the Shift key while you select all the pictures you want. Then drag them onto the slide.	2
9.	a) Improve productivity. Improving productivity is one of the most common goals of team building activities. b) Increase motivation. c) Increased collaboration. d) Encourage creativity. e) Positive reinforcement. f) Improved communication (Any four)	2
10.	The meaning of attitude is one's tendency to respond in a certain way towards a certain idea, object, person, or situation. An entrepreneur's attitude affects their choice of action while running the business.	2
11.	Green jobs are central to sustainable development and respond to the global challenges of environmental protection, economic development and social inclusion. . Green jobs help: Improve energy and raw materials efficiency. Limit greenhouse gas emissions.	2
12.	b. Assembling	1
13.	c. Production	1
14.	d. Decline	1
15.	b) Market-penetration pricing	1
16.	d) Price	1
17.	a) Psychological pricing	1
18.	a) Negotiation	1
19.	c) Warehousing	1
20.	b) Retailer	1
21.	d) Sales promotion	1
22.	c) Costs	1
23.	b) Licensing	1
24.	Consumer goods are ready for the consumption and satisfaction of	2

	<p>human wants.</p> <p>While industrial goods are made up of machinery, plants, and raw materials, consumer goods are commodities purchased by a buyer like clothing, food, and drinks.</p>	
25.	<p>A specialty product is a product that certain consumers will actively seek to purchase because of unique characteristics or loyalty to a specific brand.</p> <p>Examples of speciality goods include designer clothes, high-end cars, exotic perfumes, famous paintings, fancy foods, hi-fi components, sporting equipment, photographic equipment, and men's suits.</p>	2
26.	<p>Break even pricing is the practice of setting a price point at which a business will earn zero profits on a sale. The intention is to use low prices as a tool to gain market share and drive competitors from the marketplace.</p>	2
27.	<p>Follow-the-leader pricing is a competitor-based pricing strategy. This is unlike cost-based, customer-based, or product-based pricing.</p> <p>From there a company will add a desired margin or profit to the price. Customer-based pricing includes psychological pricing, where a company will price appeal a customer's psyche.</p>	2
28.	<p>Retailers can provide customized services and pay personalized attention to the customers for achieving a higher level of satisfaction with the delivery of product or service.</p> <p>Retailers introduce new products to the customers and also guide them with the usage of the products.</p> <p>Retailers can provide additional services like free home delivery or after sales services.</p>	2
29.	<p>a) The Coca-Cola Company sells its products to bottling and canning operations, distributors, fountain wholesalers and some fountain retailers. These then distributes them to retail outlets, milk bar and corner stores, restaurants, petrol stations and newsagents.</p> <p>b) The "One Brand" strategy: Extends the global equity and iconic appeal of original Coca-Cola across the trademark, uniting the Coca-Cola family under the world's No. 1 beverage brand.</p>	2
30.	<p>'Online' is like the word 'digital' in 'digital marketing' and refers to all media that happens to be used online. It is a reference to media.</p> <p>Direct Marketing is a measurable effort to get the prospect to take a particular action (buy, call, visit a website, mail a form, fax, sign up online, etc) immediately.</p>	2
31.	<p>The Products used as inputs to produce consumer products are known as industrial products. They are used for non-personal and business purposes.</p> <p>Types of Industrial Products:</p> <p>(i) Materials and Parts -(a) Raw Material, (b) Manufactured Materials and Parts</p> <p>(ii) Capital Items</p> <p>(iii) Supplies and Business Services</p>	2
32.	<p>Product strategy – easily available</p> <p>Pricing strategy – low</p> <p>Promotion strategy – advertising and sales promotion</p> <p>Place strategy – intensive distribution</p>	½ each

33.	<ul style="list-style-type: none"> If market conditions are good i.e. high demand and more customers are ready to pay with high income, companies set high prices for their product and vice-versa. Govt. fixes the prices for the protection of consumers and in this case, manufacturer cannot increase the price of the product beyond the limit decided by the govt. If govt. policies are supportive and promote businesses through healthy competition in the market, the firms can fix higher prices. 	1+1+1
34.	<ul style="list-style-type: none"> The price of a product also depends upon its specifications. Generally, producers add more and more features to their products to attract customers, and the customers pay a price for them. <p>Therefore, a highly differentiated product will have more features and attributes, and a higher price than one which is less-differentiated.</p>	3
35.	<p>Maruti Udyog selling its cars through NEXA company owned showrooms is direct channel.</p> <p>In zero level there are no intermediaries involved, the manufacturer is selling directly to the customer. This is called the 'direct channel' or direct selling. In this the manufacturer or producer supplies the product to the customer through its own retail outlets and salesmen present there.</p>	1+2
36.	<p>Distribution channels provide time, place, and ownership utility. They make the product available when, where, and in which quantities the customer wants.</p> <p>Logistics and Physical Distribution: Marketing channels are responsible for assembly, storage, sorting, and transportation of goods from manufacturers to customers</p>	1+1+1
37.	<p>'Online' is like the word 'digital' in 'digital marketing' and refers to all media that happens to be used online. It is a reference to media. 'Direct Marketing' is a method of marketing normally contrasted with 'branding style' marketing.</p>	1 ½ + 1 ½
38.	<p>Define product life cycle. Explain the stages of product life cycle with example.</p> <ul style="list-style-type: none"> The product life cycle indicates the sales and profit of the product over a period of time. Most of the products follow the "S" shaped curve "The product life cycle (PLC) depicts a product's sales history through 4 stages: <ol style="list-style-type: none"> 1) Introduction 2) Growth 3) Maturity and 4) Decline Introduction Stage - In this stage a new product (from brand or category) is introduced and it is called the introductory stage. Introducing a new product is always a risky proposition, even for a skillful marketer. Ex. When "Allout" in 1990 introduced liquid vaporizers as mosquito repellent, it was a pioneer in the product category as till 1990 mosquito coils were prevalent. It is characterized by Inducing acceptance and attaining initial distribution, High operational costs, high learning time, unwillingness of the trade to deal in the product, demand of higher margins or extended credit terms, High 	1+1+1+1+1

promotion costs, Customers have low awareness, Competition is limited to few firms, and is from indirect or substitute products, Negative profits on account of low sales volume, Distribution is limited and promotional expenses are high.

MARKETING STRATEGIES IN INTRODUCTION STAGE

1. Products are promoted to create awareness and also develop market for the product.
2. The pricing of the product may be low to increase penetration and expand the market share or high priced to recover the development costs.
3. Distribution can be selective till consumers show acceptance of the product.
4. Marketing communication seeks to educate and enhance the product awareness

Growth Stage

The growth stage is the second stage where the product has been launched successfully with the sales beginning to increase rapidly in this stage, as new customers enter the market and old customers make repeat purchases. This stage is characterized by Reduced costs because of economies of scale, Increase in competition, Market expansion, Dominant position created, Increase in profits.

MARKETING STRATEGIES IN GROWTH STAGE

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

Maturity Stage

The third stage is the maturity stage. The products that withstand the heat of competition and customers' approval enter the maturity stage. During this stage the marketers are focusing effort on extending the lives of their existing brands.

The characteristics of this stage are

- Costs would be decreased as a result of increase in production volumes, The Sales volumes peak and market saturation is visible, Competitors entering the market increase, There is drop in prices due to entry of competing products, advertising spend incurred on brand differentiation, Product feature diversification is emphasized to maintain or enhance market share, The industrial profits decrease during this period.

MARKETING STRATEGIES IN MATURITY STAGE

1. Product managers have to play a vital role for carving a niche within a specific market segment through enhanced service, image marketing and by creating new value image and strengthening through repositioning.
2. They should also consider modifying the market, product and marketing mix to fight competition and take it closer to

	<p>the customer so as to register adequate profits to remain in the business.</p> <p style="text-align: center;">Decline Stage</p> <p>This is the phase where sales decline as the customer's preferences have changed in favour of more efficient and better products.</p> <p>Sales and profits decline rapidly and competitors become more cost conscious.</p> <p>MARKETING STRATEGIES IN DECLINE STAGE</p> <ol style="list-style-type: none"> 1. The product can be maintained by either by adding new features or finding new uses. 2. The costs can be reduced and it can be offered to loyal segment. 3. The product can be discontinued or sold to another firm that is willing to continue the product. <p>Examples: Colgate was the first toothpaste in tube in 1896, it went to capture the market world over and became the highest selling brand in the world in 1999, has diversified into oral care range and still a force to reckon with.</p>	
39.	<p>Pricing is significant for firms in the following manner-</p> <ol style="list-style-type: none"> 1. To determine firm's Competitive Position and Market share- Pricing Policy of a firm is a major determinant of a firm's success as it affects the firm's competitive position and share in the market. If prices are too high, the business is lost. If prices are too low, the firm may be lost. The wrong price can also negatively affect sales and cash flow to the firm. 2. To achieve the financial goals of the company- Price has an important bearing on the firm's financial goals, i.e. Revenue and Profit. For a given level of production, higher price means a higher revenue and higher profitability (revenue minus costs). With the help of price; a firm can make estimates of expected revenue and profits. 3. To determine the quantum of production – Price also helps in determining the quantum of production which should be carried out by the firm. The management of a firm can make estimates of profit at different levels of production at different prices and can choose the best combination of production, volume, and price. 4. To determine the product positioning and distribution in the market- The sale of product is supported by extensive advertising and promotional campaigns. What type of promotional techniques is to be used and how much cost will be incurred, <p>UNIT II: PRICE Page 7</p> <p>these decisions depend upon prospective revenues of the firm, which again are influenced by the product price.</p> 5. To determine the quality and variants in production- Before setting the price, managers try to explore 'Will customers buy the product at that price?' to fit the realities of the marketplace. This helps them to determine various product models that can be produced to fit different market segment, e.g. Samsung offers Samsung Grand for a medium-income group and Galaxy S7 Edge for a high-income group of consumers. 6. To establish consistency with the other variables in the marketing mix- Pricing decisions and policies directly influence the nature and quality of product, its packaging, promotion 	1+1+1+1+1

	<p>policies, channels of distribution etc. For instance, a firm may decide to improve the quality of a product, increase the number of accompanying services and spend more on promotion and packaging etc. only if it is confident to sell its product at the price which is good (high) enough to cover the cost of additional improvements and services. If this same product cannot command a very high price in the market, then the company will have to keep normal quality, reduce the number of accompanying services, go with different, less-expensive channels of distribution and simplify packaging etc. Therefore there is no doubt that the nature and type of product, promotion and distribution policies of the firm are influenced by the price-policy of the firm.</p> <p>7. Helpful in maintaining system of free enterprise and long run survival of firms-Pricing is the key activity in the economy of a country which permits system of free enterprise. It influences factor prices, i.e. Wages, interest, rent and profit, by regulating production and allocating resources in a better way. The firms which are not able to market their products at good prices cannot survive in the long run as they are not able to pay for various factors of production. So pricing weeds out inefficient firms and shows way to long run survival.</p> <p>8. Improvement in company's image-</p> <p>A company's image is important to its success and pricing helps to make that image. A firm with an established reputation for quality at existing price lines may introduce a new product at either higher or lower prices to attract different market segments. Buyers who are aware of its prestige might desire to purchase its products because price no longer remains a limiting factor for them. For example different models of Apple mobiles have good demand in the market in spite of being high priced.</p>				
40.	Sl.no	Basis	Wholesalers	Retailers	Any 5 1+1+1+1+1
	1.	Dealing	They deal with large quantities and on a large	They deal in small quantities and on a small scale	
	2.	Quantity	They handle a small number of items and varieties	They handle a large number of items and varieties	
	3.	Outlet	First outlet in the chain of distribution	Second outlet in the distribution	
	4.	Sales	They sell the product to the retailers and	They sell the goods to ultimate consumers.	
	5.	Location	The location of the shop is not important	The retailers shop is usually located in residential areas and convenient for the customers	
	6.	Window display	Window display is not very important for wholesalers for	Window display is a must for attracting	

			selling the product	customers to buy the product	
	7.	Margin of profit	They sell at a very low margin of profit as the turnover is very fast	They sell at a higher margin of profit because they have to spend on window display and operating cost is high.	
	8.	After sale services	They do not provide aftersales service	They provide aftersales service	
41.	<p>Packaging should perform the following basic functions:</p> <p>1. Protection</p> <p>The basic function is to protect the products from the vagaries of weather the product can be exposed to, in transit from the manufacturer's plant to the retailer's shelves and issues related to handling the product while on display on the shelves.</p> <p>The reasons for protection for products through packaging are:</p> <ul style="list-style-type: none"> ☞ Control pilferage during transit or storage ☞ Prevent the absorption of moisture ☞ Avoid breakage/damage due to rough mechanical or manual handling during transit. ☞ Protect liquid from evaporation. <p>2. Appeal</p> <p>The emergences of self-service outlets have forced manufacturers to have attractive packaging. The following characteristics have been identified to help a package perform the self-selling tasks:</p> <ul style="list-style-type: none"> ☞ It helps in attracting attention of the customer ☞ It helps to enhance the product image ☞ It helps in the product looking and hygienic <p>3. Performance</p> <p>This is the third function of a package. It should perform the task for which it is designed. Bottled water has been introduced in 500 ml to 20 litres bottles. The purpose and place of use is the deciding factor in the purchase of various packs. A package must be made to consistent and rigid quality standards as the consumer demands uniformity each time he purchases a product.</p> <p>4. Packaging for convenience</p> <p>It provides convenience to distribution channel members, such as wholesalers, retailers and consumers. The convenience will relate to handling and stocking of packages. It helps in the following ways:</p> <ul style="list-style-type: none"> ☞ The package must be convenient to stock ☞ The package must be convenient to display ☞ The package must not waste shelf-space. ☞ The package can be easily carried. ☞ It should be easy to dispose off. <p>5. Cost-effectiveness</p> <p>The package finally must be cost-effective. Packaging cost as a percentage of product cost differs from one industry to another. It is essential to understand that while analyzing packaging costs, the other costs like handling, storage, insurance and transit costs are</p>				1+1+1+1+1

	also added.	
42.	Advertising. Public relations or publicity. Sales promotion. Direct marketing. Personal selling.	1+1+1+1+1