


**INDIAN SCHOOL MUSCAT**  
**CLASS: 11**  
**HALF YEARLY EXAMINATION**  
Marketing (812)  
**SET - A**

QP.NO	VALUE POINTS	SPLIT UP MARKS
1.	Marketing	1
2.	Business environment is the climate or set of conditions i.e., economic, social, legal and political situations in which business activities are conducted.	1
3.	Market segmentation is the process of dividing an aggregate market into homogeneous sub units.	1
4.	All of the above	1
5.	People's attitude, customs, socio-cultural value	
6.	The way consumers perceive it in comparison with competitors	1
7.	Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others.	1
8.	Lower	1
9.	Existing market share, nature of competitive environment, the forces of marketing environment and market trends, capability and ease of matching customer needs, available corporate resources and anticipated profitability. (Any two)	( $\frac{1}{2} + \frac{1}{2} = 1$ )
10.	A product is not limited to physical objects or tangible items. It also includes services which are intangible along with tangible goods. Services are deeds, processes and performances provided by one person to another. It is intangible items.	( $\frac{1}{2} + \frac{1}{2} = 1$ )
11.	Socio-cultural forces	1
12.	Hard core loyal, soft core loyal, shifting loyal and switchers. (Any two)	( $\frac{1}{2} + \frac{1}{2} = 1$ )
13.	Customer value is the difference between total customer benefits and total customer costs. Customer satisfaction is the difference between the product's actual performance and the customer expectations of the product.	(1+1=2)
14.	In any country, the state of technology plays an important role in determining the type and quality of goods and services to be produced and the type of plants and equipment to be used. Early adoption of new technology helps in new improved products and increases the competitive advantage of business firm.	2
15.	Physical positioning is done on the basis of physical product. Every customer doesn't understand the features and buys the product on the basis of what it does rather than what it is. Thus all the products are not influenced by factors other than physical properties, including the way products are presented, past experiences with them and opinion of others. This is called perceptual positioning.	(1+1=2)
16.	The suppliers comprise all the business firms or individuals who provide raw materials, components and semi-finished goods to be used in production or even sell finished products of the organization. Any unexpected development in the supplier environment can have an immediate and potentially serious effect on the firm's commercial operations and production.	2
17.	Needs can be physical like hunger, clothing, shelter and sex. If unsatisfied it leaves a person unhappy and uncomfortable. For example, when we are fasting and didn't have food since morning the moment a person names our favourite food it is tough for us to resist. Wants backed by willingness and purchasing power is known as demand. For example, Big Bazaar a retail store employs shop floor managers to meet the	(1+1=2)

	customers regularly and try to create demand.	
18.	(1) Health conscious consumers: They are premium consumers who are ready to spend money for their health. (2) Parents of new born babies: They use olive oil on their new born babies.	(1+1=2)
19.	Market middlemen are an important part of the distribution network and render important services in different capacities. Each intermediary can potentially increase or decrease production and customer satisfaction.	2
20.	(a) Experience: Marketers can create stage and market experiences to the customers. For example Water Park, and theme parks provide experience marketing. (b) People: Marketing can help people to market themselves. Politicians are the most suitable and common example of people marketing. Politicians market themselves to the customers (voters) by promising them certain bundle of benefits. Cricketers, film stars, authors, painters, musicians and sports person market themselves. (c) Places: Cities, state and nation can be marketed to the consumers. Place marketers include real estate developers, commercial banks, businesses etc. One can't forget the incredible India campaign by Indian government to market India as tourist spot.	(1+1+1=3)
21.	(a) Environmental scanning: Environmental scanning is a process of scrutinizing and weighing up changes and trends in marketing environment by the firm. (b) Micro environment factors: Micro environment indicates the factors and forces in the immediate area of operation of the firm which affect the marketing manager's ability to serve the customers. It includes both internal as well as external forces. (c) Macro environment factors: The macro-environment refers to external forces that are part of the larger society and so are beyond the control of firm's management.	3
22.	(a) <b>Personality Characteristics:</b> Advertising agency, Young & Rubicam has classified customers into Mainstreamers (not to stand out of crowd), Reformers (creative and caring, many doing charities, and buying private labels), Aspirers (young, ambitious, and keen to get on, and buy latest designs and models), and success achievers (achieved in life, feel no need for status symbols or bother for what people will say). (b) <b>Lifestyle:</b> Lifestyle and consumption are closely related, and therefore, marketers adopt it for segmentation. Lifestyle means approach to life. AIO (Activities, interests, and opinions) reflect lifestyles of people. People are grouped on the basis of how they spend their time, the importance of things in their surroundings. (c) <b>Values:</b> It reflects the realities of life. The main values include Self-respect, security, Excitement etc.	3
23.	(1) Marketing promotes product awareness to the public: Product awareness is possible if heavy advertising, sales promotion, personal selling, directing marketing etc. are done. (2) Marketing helps in enhancing product sales: Marketing helps to boost sales and revenue growth. (3) Marketing builds company reputation: Though reputation, consumers can easily associate the brand name with the images, logo or caption that they hear and see in the advertisements. (½ mark for each points. ½ for each explanation)	3
24.	There are three types of competition: (a) Competition from similar products-The most direct form of competition occurs amongst marketers of similar products. For example, competitors in electronic home appliances are LG, Samsung or Philips etc.	3

	(b) Competition from substitute products-The second type of competition involves products that can be substituted for one-another. For example, in air transport industry, Indigo competes with Jet airlines. The increase in fares of one airline increases demand for other airline services. (c) Competition amongst all firms-The final type of competition occurs among all organizations that compete for the consumer's purchases. In other words, modern marketers accept the argument that all firms compete for a limited amount of market share. (½ mark for each points. ½ for each explanation)																										
25.	(a) Production concept: Production concept lays emphasis on affordability and availability of products. Affordability is possible by reducing cost of production by producing large quantities and achieving mass production. Availability is possible by mass distribution by making the product widely available. This philosophy states that any amount of goods produced will sell if it is available and affordable to customers. (b) Product concept: This concept is based on the philosophy that consumers will prefer products that have better quality, performance and features. It emphasises on innovation to produce better quality products. It believes in the ideology that a “good product will sell itself” as rightly proven by Apple and Google brands. (c) Marketing concept: The marketing concept proposes that the success of the firm depends on how well it understands the needs and wants of the customers and how successfully it converts these needs in to products and services that will satisfy the customer’s requirements. (½ mark for each points. ½ for each explanation)			3																							
26.	Globalisation and liberalization leads to more competition in the market and it also provides a chance to the business to enter into world market. It is a Macro environmental factor. It is the Government policy that lead to liberalization or globalization.			(1+1+1=3 )																							
27.	<table><tr><th>Point of Difference</th><th>Marketing Concept</th><th>Selling Concept</th></tr><tr><td>1. Definition</td><td>Marketing is the process of creating value for customer and delivering goods and services for earning profit.</td><td>Selling is the process of encoring customers for increasing sales.</td></tr><tr><td>2. Objective</td><td>The objective of this concept is to satisfy customer through goods and services.</td><td>The objective of selling concept is to increase sales of goods and services.</td></tr><tr><td>3. Scope</td><td>The scope of marketing concept is wider.</td><td>The scope of selling concept is narrow.</td></tr><tr><td>4. Emphasis</td><td>This concept emphasis on customer needs.</td><td>This concept emphasis on products or services.</td></tr><tr><td>5. Profit</td><td>This concept earns profit through customer satisfaction</td><td>This concept earns profit through attractive sales and promotion.</td></tr><tr><td>6. Start</td><td>This concept starts with actual and potential customers</td><td>This concept starts with conce pt existing product.</td></tr><tr><td>7. Market segmentation</td><td>This concept thinks about market segmentation deeply.</td><td>This concept never thinks about market concept.</td></tr></table>	Point of Difference	Marketing Concept	Selling Concept	1. Definition	Marketing is the process of creating value for customer and delivering goods and services for earning profit.	Selling is the process of encoring customers for increasing sales.	2. Objective	The objective of this concept is to satisfy customer through goods and services.	The objective of selling concept is to increase sales of goods and services.	3. Scope	The scope of marketing concept is wider.	The scope of selling concept is narrow.	4. Emphasis	This concept emphasis on customer needs.	This concept emphasis on products or services.	5. Profit	This concept earns profit through customer satisfaction	This concept earns profit through attractive sales and promotion.	6. Start	This concept starts with actual and potential customers	This concept starts with conce pt existing product.	7. Market segmentation	This concept thinks about market segmentation deeply.	This concept never thinks about market concept.	Any 5 points  5 marks	
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28.	<p>A '<i>public</i>' means any group that has an actual or potential interest in or impact on the company's ability to achieve its objectives.</p> <ol style="list-style-type: none"> <li>1. Financial publics- They groups influence the company's ability to obtain funds. The examples of major financial publics are- banks, investment houses and shareholders.</li> <li>2. Media publics- They consist of those mechanisms or devices that carry news, features and editorial opinion. They include- newspapers, magazines, radio and television stations.</li> <li>3. Government publics- Management must take government developments into account. Marketers must often consult the company's lawyers on issues of product safety, truth-in-advertising and other matters.</li> <li>4. Citizen-action publics- A company's marketing decisions may be questioned by consumer organizations, environmental groups, minority groups and others. Its public relations department can help it stay in touch with consumer and citizen groups.</li> <li>5. Local publics- Every company has local publics, such as neighbourhood residents and community organizations.</li> <li>6. General publics- A company needs to be concerned about the general public's attitude towards its products and activities. The public's image of the company affects its buying.</li> <li>7. Internal publics- A company's internal publics include its workers, managers, and board of directors.</li> </ol>	<p>Meaning= 1 Any 4 publics= 1 mark each  (1+4=5)</p>												
29.	<ol style="list-style-type: none"> <li>1) Improved Customer Relations: Segmentation will enable the buyer to find the products most fitting to their physical or/and psychological needs.</li> <li>2) Perfect-like Marketing Mix: Since market segmentation assists in defining shopping habits (when, how much and how many times), price sensitivity and the benefits required. This helps in making marketing mix more accurate.</li> <li>3) Better Resource Allocation: Since Segmentation's objective is to serve customers better and earn more profits, the firm would like to allocate resources more efficiently. Segmentation reveals who not to target and which customer groups will be best recipients of resources. Thus, market segmentation will lead to better marketing.</li> <li>4) Competitor Analysis: To compete better in the market one must have complete knowledge of the competitors, the segments being served by them, and their working practices. It enables to know the segment which our organisation can serve better.</li> <li>5) Taking care of Dynamic Environment: Customer segments, which are likely to frequent changes due to changing environment, can be taken care of in strategic marketing planning. In fact, large companies with resources at command are leaving</li> </ol>	<p>Any 5 points 5 Marks</p>												

	<p>mass marketing.</p> <p>6) Focus Marketing Communication: Segmentation establishes commitment and single-mindedness with the organisation: one vision, one voice, harmonised messages. Segmentation allows an organisation to identify media channels competent to reach the target group.</p> <p>7) Measurement: To measure the market share, growth, specification of target customers, recognition of relevant competitors, to formulate marketing objectives and strategies, segmentation is essential.</p>	
30.		1 mark each point= 5 marks
31.	<p><b>1) Determining Opportunities-</b> The interaction between the business and its environment identifies opportunities and helps in getting 'First Mover Advantage' out of it successfully.</p> <p><b>2) Identification of Threats:</b> Threats refer to the negative or unfavourable external factors that create hurdles for a firm. Environmental scanning helps to identify possible threats in future and give warning signals to the firms.</p> <p><b>3) Sensitization of Management to Cope with Rapid Changes:</b> The knowledge of environmental changes sensitizes the management to make strategy to cope with the emerging problems.</p> <p><b>4) Formulation of Strategies and Policies:</b> Environmental analysis helps in identifying threats and opportunities in the market. They can serve as the basis of formulation of strategies to counter threats and capitalise on opportunities in the market.</p> <p><b>5) Image Building:</b> If a firm is sensitive to the external environment, it will come out with new products and services to meet the requirements of the customers.</p> <p><b>6) Continuous Learning:</b> Strategy formulation is a continuous process that involves keeping in touch with the external environment.</p> <p><b>7) Giving Direction for Growth:</b> The interaction with the environment leads to opening up new frontiers of growth for the business firms.</p> <p><b>8) Identifying Firm's Strength and Weakness:</b> Business environment helps to identify the individual strengths and weaknesses in view of the technological and global developments. It activates management to move accordingly.</p> <p><b>9) Basis of strategy:</b> Strategists can gather qualitative information regarding business environment and utilize it in formulating effective plans.</p> <p><b>10) Intellectual stimulation:</b> Knowledge of environment changes provides intellectual stimulation to planners and decision-making authorities.</p>	Any 5 points 5 Marks
32.	<p><b>1) Mass Marketing Strategy:</b> When differences in customer needs are small or demographics are not distinctive, a business may decide to use a mass market strategy or 'undifferentiated marketing'.</p> <p><b>2) Large Segment Strategy:</b> When a market is segmented and marketing</p>	Any 5 5 Marks

	<p>resources are limited, the marketer may decide to pursue a large segment strategy.</p> <ol style="list-style-type: none"> <li>3) <b>Adjacent Segment Strategy:</b> When a single segment focus has reached the point of full market penetration and after a single-market segment successful, the marketer opts for adjacent marketing strategy, a closely related segment is tackled next.</li> <li>4) <b>Multi-Segment Strategy:</b> Market segmentation opens the door to multiple market-based strategies and greater marketing efficiency.</li> <li>5) <b>Small Segment Strategy:</b> Although a market may provide three segment opportunities, a business with limited resources and capabilities may decide to compete only in the smallest segment.</li> <li>6) <b>Niche Segment Strategy:</b> The word niche itself implies that one is targeting a limited number of consumers or a particular set of customers.</li> <li>7) <b>Sub-Segment Strategy:</b> If there are meaningful differences in customer needs within segments which are presently not being met by current market segmentation, then there is need for possible sub-segmentation.</li> </ol>	
33.	<ol style="list-style-type: none"> <li>1) <b>Age:</b> Today virtually every age band from life to death is the focus of a marketing campaign.</li> <li>2) <b>Gender:</b> In case of clothes, it may be male and female, In case of fashionable clothes the two segments vary a lot.</li> <li>3) <b>Family Structure:</b> The family life cycle concept charts the progress of family development from birth to death. People at different stages of different life cycle have needs different from each other.</li> <li>4) <b>Race:</b> The ethnic background is a good base for segmentation. Hindus celebrate Diwali, and Chinese celebrate their New Year differently and the two are good segments.</li> <li>5) <b>Politics:</b> Different political party members have their liking for different members and commodities.</li> <li>6) <b>Family Size</b> – Two segments may be small family and the large family segments. Smaller the family small size packs would be preferred, and larger the family larger packs would be needed.</li> <li>7) <b>The Psychological Life cycle:</b> Here the chronological age may not necessarily be the factor of greatest importance in determining consumption patterns.</li> <li>8) <b>Segacity:</b> It is a refinement of the family life cycle grouping system, showing different behavioural patterns and aspirations to people as they proceed through life.</li> <li>9) <b>Type of neighbourhood and dwelling:</b> Geo demography may also be used for segmentation by focusing on local neighbourhood geography.</li> </ol>	<p>Any 5</p> <p>5 Marks</p>
	THE END	