

Mkt501 final term
subjective Solve Questions
By Adnan Awan

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Question No: (Marks: 3)

How public relations are helpful in creating goodwill for organizations?

ANSWER

Corporations use marketing public relations (MPR) to convey information about the products they manufacture or services they provide to potential customers to support their direct sales efforts. Typically, they support sales in the short and long term, establishing and burnishing the corporation's branding for a strong, ongoing market.

Question No (Marks: 3)

How the performance of a supply chain can be measured? Mention any three points.

ANSWER

Supply chain management spans all movement and storage of raw materials, working process inventory, and finished goods from point-of-origin to point-of-consumption.

1. Distribution Network Configuration
2. Distribution Strategy
3. Information
4. Inventory Management

Question No: (Marks: 5)

What is Integrated Marketing Communications? Why is it important?

ANSWER

A management concept that is designed to make all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing work together as a unified force, rather than permitting each to work in isolation. Integrated Marketing Communication is more than the coordination of a company's outgoing message between different media and the consistency of the message throughout. It is an aggressive marketing plan that captures and uses an extensive amount of customer information in setting and tracking marketing strategy

List down at least six examples of sales promotion.

Following are the examples of sales promotion:

1. Free travel
2. Discounts and Sales
3. Contests
4. Rebates
5. Gifts and Incentive Items
6. Free Samples

Question No: (Marks: 5)

What is the purpose of marketing research?

ANSWER

Market Research is broader in scope and examines all aspects of a business environment. It asks questions about competitors, market structure, government regulations, economic trends, technological advances, and numerous other factors that make up the business environment.

Question No: (Marks: 5)

How sales force automation system has increased the efficiency of sales manager?

ANSWER

Sales force automation systems can also affect sales management.

The sales manager can configure the system so as to automatically analyze the information using sophisticated statistical techniques, and present the results in a User-friendly way. This gives the sales manager information that is more useful in:

- Providing current and useful sales support materials to their sales staff
- Providing marketing research data : demographic, psychographic, behavioral, product acceptance, product problems, detecting trends
- Providing market research data : industry dynamics, new competitors, new products from competitors, new promotional campaigns from competitors, macro environmental scanning, detecting trends
- Co-ordinate with other parts of the firm, particularly marketing, production, and finance
- Identifying your most profitable customers, and your problem customers
- Tracking the productivity of their sales force by combining a number of Performance

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Question No: (Marks: 3)

What r those constructs which link input and output actions in the customer decision making process according to Howard and Sheath?

Answer

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. Perceptual - those concerned with obtaining and handling information about the product or Service
2. Learning - the processes of learning that lead to the decision itself

Question No: (Marks: 5)

The term Publicity and Public relation r interchangeable. Do u agree?

Answer

No, the term Publicity and Public relation are not interchangeable. Publicity is the means of using an external entity (celebrities, people from the media, etc) to increase the awareness levels of the product, company, goods etc amongst the public and/or buying segment.

“Publicity is the deliberate attempt to manage the public's perception of a subject”.

Public Relations

“Public Relations is the art and science of building relationships between an organization and its key publics. It is concerned with communications management”.

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Question No (Marks: 3)

How retailers use technology for improving their performance?

Answer

Retailers must use technology to gain a competitive advantage in today's world. Retail research provides critical insights into shoppers' changing habits and attitudes, evaluations of existing and emerging retail technology vendors, and advice about how retailers can harness technology to improve their customer experience and operating results.

Question No (Marks: 3)

-What are those constructs that link the input and output actions in the consumer decision making process according to the model of Howard and Sheath?

Answer

One of the best known of the explanatory 'lains the interactions involved are that of Howard and Sheath. This contains a deal of common sense, although, as is often the case with such models, the rather obscure terminology makes it appear more confusing than it really is.

The 'inputs' (stimuli) that the consumer receives from his or her environment are:

1. **Significative** - the 'real' (physical) aspects of the product or service (which the company make use of)
 2. **Symbolic** - the ideas or images attached by the supplier (for example by advertising)
 3. **Social** - the ideas or images attached to the product or service by 'society' (for
- The 'outputs' are what happens, the consumer's actions, as observable results of the input stimuli.**

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. **Perceptual** - those concerned with obtaining and handling information about the product or service
2. **Learning** - the processes of learning that lead to the decision itself

Question No (Marks: 5)

Q13:-Why location is important for retailers and what are the promotional tools retailers can use?

Answer

Location is important to any business or organization. You can be in a destitute part of town selling hamburgers and not make any money. If you move your burger business to the heart of the hustle and bustle of business you will be able to make more money. Location is very important to have growth. The correct location is important as well.

Promotional Tools Used by Retailers

- .Special Events
- .Visual Merchandising
- .Public Relations: Promoting and Advancing the Retailer's Image

Question No (Marks: 5)

Q14:-Explain safety need by giving at least four examples?

Answer

Safety Need: These are dealing with achieving of stability and of consistency in a chaotic world. These are mostly psychological in nature. We need the safety of a home and family. However, if a family is dysfunctional caused by for **Example** An abusive husband, he wife cannot move to the next level. Because she is constantly concerned for her safety. Love and belongingness have to wait until she is no longer fear. Many in our society cry out for law and other because they do not feel safe enough to go for a walk in their neighborhood.

Provide a safe working environment, retirement benefits, and job security.

Once a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include:

1. Need for friends
2. Need for belonging
3. Need to give and receive love

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Question No (Marks: 5)

You are going to purchase a personal computer; which channel of distribution you will use to purchase your computer. Explain it with logical reasoning?

Answer

I will prefer to purchase to retailer, because it's convenient rather than searching out the different companies for every part of PC. Its feel me easy to buy from one place. In some cases it's not possible that to purchase single from manufacturer. Retailers involved in a more exclusive distribution arrangement are likely to be more "loyal", they will tend to

1. Recommend the product to the customer and thus sell large quantities;
2. Carry larger inventories and selections;
3. Provide more services

Question No: (Marks: 3)

Suppose you are going to buy an item which is offered for Rs.5000. Consider these situations.

There is 10% discount.

There is 10% surcharge

Calculate price you are going to pay for the item in each case.

Answer

Price after discount:

As discount is 10% so the new price will be 90% of the actual price that is $5000 \times 90 / 100 = 4500$

Price after surcharge:

As surcharge is 10% so new price will be 110% of actual price that is $5000 \times 110 / 100 = 5500$

Question (Marks: 3)

Differentiate between sales price and transfer price.

Answer

Transfer price means to set the location, to analyze, place and alteration of charges made between two parties or companies for any business. Transfer prices among mechanisms may be used to reflect distribution of resources among such components or for other purposes. Transfer prices are important for both taxpayers and tax managements because they determine in large part the income and expenses and taxable profits.

Sale price is that price at which something is obtainable for sale we can also say it the fair market value. According to the business dictionary sale price is also the reduce price of something during sale of something.

Question No: (Marks: 3)

List down at least six examples of sales promotion?

Answer

Examples of sales promotion are

- COUPONS
- DISCOUNTS AND SALES
- CONTESTS
- POINT OF PURCHASE DISPLAYS
- REBATES
- FREE SAMPLES (IN THE CASE OF FOOD ITEMS)
- GIFTS AND INCENTIVE ITEMS
- FREE TRAVEL, SUCH AS FREE FLIGHTS

Question No: (Marks: 3)

Why it is necessary for a marketer to understand the consumer behavior?

Discuss it.

Answer

The study of consumer behavior (CB) is very important to the marketers because it enables them to understand and predict buying behavior of consumers in the marketplace; it is concerned not only with what consumers buy, but also with why they buy it, when and where and how they buy it, and how often they buy it, and also how they consume it & dispose it. Consumer research is the methodology used to study consumer behavior; it takes place at every phase of the consumption process: before the purchase, during the purchase, and after the purchase. Research shows that two different buyers buying the same product may have done it for different reasons, paid different prices, used in different ways, have different emotional attachments towards the things and so on.

Question No: (Marks: 3)

How sales force automation system has increased the efficiency of sales manager?

Answer

Sales staff will use their time more efficiently and more effectively. The sales manager will also become more efficient and more effective. This increased productivity can create a competitive

advantage in three ways: it can reduce costs, it can increase sales revenue, and it can increase market share. Field sales staff will send their information more frequently.

Question No: 51 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

Answer

Negotiation means two persons or two parties trying to solve some problem, Negotiations can occur in profit organization, non profit organization and Govt. offices. There are many techniques used in negotiations like by skilled negotiator. The analysis of the negotiation or problem organization style should have the following points consideration:

- Presenting demands
- Ability to speak first
- Calculation Deadlines
- Take it or leave it
- Rejecting an offer
- Limited authority
- Getting it in your hands

The effective negotiating resulting in a best solution and by negotiation we solved very big problems in any organization.

Question No: 52 (Marks: 5)

What are the important questions a marketer should consider while selecting a distribution channel for any market segment?

Answer

Before selecting a distribution channel for any market segment following questions must be answered in order to have an effective distribution channel.

Who is the operating authority of the channel?

Should distribution be exclusive, selective or extensive?

Should the product be sold through a retailer?

Should the product be distributed through wholesale?

Should multi-level marketing channels be used?

How long should the channel be?

Where should the product or service be available?

When should the product or service be available?

Should channel relationships be informal or contractual?

Should electronic methods of distribution be used?

Are there physical distribution and logistical issues to deal with?

Question No: (Marks: 5)

When we are going to buy something from the market, it happens to our self that we buy things irrationally. How would you comment on this situation by keeping inview the model of Herbit Simon?

Answer

Buyers normally engage in irrational buying behavior because perfectly rational buying cannot be achieved for the reason that there are number of factors that limit rational buying. As Simon said if a complete analysis is to be done, a decision will be immensely complex. Peoples' information processing ability is very limited. The assumption of a perfectly rational economic actor is unrealistic. Often we are influenced by emotional and non-rational considerations when we try to be rational we are at best only partially successful. Moreover, perfectly rational decisions also pose a time constraint.

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Question No (Marks: 5)

Q20:-Suppose you are going to buy an item which is offered for Rs.5000. Consider these situations? There is 10% discount, There is 10% surcharge Calculate price you are going to pay for the item in each case? 3marks

Answer

Price after Discount:

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Question No: 22 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

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Negotiation means two persons or two parties trying to solve some problem,

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3. Should the product be sold through a retailer?
4. Should the product be distributed through wholesale?
5. Should multi-level marketing channels be used?
6. How long should the channel be?
7. Where should the product or service be available?
8. When should the product or service be available?
9. Should channel relationships be informal or contractual?
10. Should electronic methods of distribution be used?
11. Are there physical distribution and logistical issues to deal with?

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try to be rational we are at best only partially successful. Moreover, perfectly rational decisions also pose a time constraint.

Question No: (Marks: 5)

Differentiate between economic and psychological models?

Answer

Economic models - These models are largely quantitative and are based on the assumptions of rationality and near perfect knowledge. The consumer is seen to maximize their utility. See consumer theory. Game theory can also be used in some Circumstances.

Psychological models

These models concentrate on psychological and cognitive processes such as motivation and need reduction. They are qualitative rather than quantitative and build on Sociological factors like cultural influences and family influences.

What are the different functions performed by the wholesalers? 3marks

FUNCTION OF WHOLESALERS

- Selling and promotion to retailers
- Buying and assortment
- Bulk breaking
- Warehousing
- Transportation
- Financing
- Risk bearing
- Market information

How retailers use technology for improving their performance?3marks

Answer

Retailers must use technology to gain a competitive advantage in today's world. Retail research provides critical insights into shoppers' changing habits and attitudes, evaluations of existing and emerging retail technology vendors, and advice about how retailers can harness technology to improve their customer experience and operating results.

Marketing research can help a business do one or more of the following:

Gain a more detailed understanding of consumers' needs

marketing research can help firms to discover consumers' opinions on a huge range of issues, e.g., views on products' prices, packaging, recent advertising campaigns

Reduce the risk of product/business failure –

there is no guarantee that any new idea will be a commercial success, but accurate and up-to-date information on the market can help a business make informed decisions, hopefully leading to products that consumers want in sufficient numbers to achieve commercial success.

REMEMBER ME IN YOUR PRAYERS

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COMPOSED BY SADIA ALI SADI(MBA)

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PAPER NO :1

Question No: 1 (Marks: 1) - Please choose one
Which of the following is not included in retailing?

- . Presentation
- . Product information
- . Buying and assortment

FUNCTION OF WHOLESALERS

- Selling and promotion to retailers
- Buying and assortment
- Bulk breaking
- Warehousing
- Transportation
- Financing
- Risk bearing
- Market information

So its included in whole sailing not in retailing

- . Pricing

Question No: 2 (Marks: 1) - Please choose one
In which of the following group activities, compromise appears?

- . Influencing
- . Decision making
- . Negotiation

. None of the given options

Question No: 3 (Marks: 1) - Please choose one
Which function is not done by market logistics?

- . Purchasing
- . Distribution
- . Storage
- . Market information

Logistics is about the

- Purchasing, • Transport, • Storage,
- Distribution, • Warehousing of raw materials

Question No: 4 (Marks: 1) - Please choose one

The buyer at ABC Furniture Store is informed that if he/she will increase his/her recent order of fifteen mattress sets to twenty, she will receive a 14 percent price reduction. This offer is due to a recent overstock condition at the factory and will not be available in the future. What is the type of discount offered by ABC Furniture store?

- . Trade
- . Seasonal
- . Non-cumulative

Page # 44

- . Promotional

Question No: 5 (Marks: 1) - Please choose one

What is the other term used for negotiation?

- . Loss-win
- . Win-win
- . Win-loss

Page # 77

- . Loss-loss

Question No: 6 (Marks: 1) - Please choose one

Companies are using public relation to support the sales:

- . In short run only
- . In long run only
- . In short and long run

Page # 84

- . None of the given options

Question No: 7 (Marks: 1) - Please choose one

Which of the following price is quoted to a potential buyer, usually in written form?

- . Wholesale price
- . Market price
- . List price

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DISCOUNTS AND ALLOWANCES

List price (which is quoted to a potential buyer, usually in written form)

- . Retail price

Question No: 8 (Marks: 1) - Please choose one

A seller wants payment from buyer within 10 days of sales (whereas customer can made payment within 30 days) and offers 4% discount if payment is made within 10 days. What type of cash discount will be suitable?

- . 4/10 net 30
- . 10/4 net 30
- . 10/30 net 4
- . 4/30 net 10

Question No: 9 (Marks: 1) - Please choose one

Identify the dealing in which seller requires that a dealer may not handle competitors' products.

. Exclusive dealing

With exclusive dealing, the seller allows only certain outlets to carry its products and requires that these dealers not handle competitors' products

- . Intensive dealing
- . Corporate dealing
- . Selective dealing

Question No: 10 (Marks: 1) - Please choose one

Fixed costs _____ as the number of units produced increases.

- . Decrease
- . Increase
- . Divide in half
- . Remain the same

Question No: 11 (Marks: 1) - Please choose one

Which of the following is the basic role of promotion?

- . Interpretation
- . Communication
- . Manipulation
- ▶ Information

Page # 15

Promotion Decisions

In the context of the marketing mix, promotion represents the various aspects of marketing communication, that is, the communication of information about the product with the goal of generating a positive customer response.

Question No: 12 (Marks: 1) - Please choose one
Which of the following is TRUE for influencing?

- . It has shared objective and resolve conflicts
- . It has conflict between parties and no compromise
- . It seeks compromise through influencer

It has common objective proven by influencer

Page # 75 in chart

Comparison Among Group Activities		
Activity	Objectives in Common?	Conflict Between Participants
DecisionMaking	Yes	No
Influencing	Must be proven by influencer	Influencer must show there is none
Negotiating	Yes	Yes. Parties seek compromise

Question No: 13 (Marks: 1) - Please choose one
Which of the following is a type of vertical marketing system?

- . Franchise
- . Direct selling
- . Mail order
- . Retailing

PAGE # 89

VERTICAL MARKETING

This relatively recent development integrates the channel with the original supplier - producer, wholesalers and retailers working in one unified system.

Question No: 14 (Marks: 1) - Please choose one

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. Exclusive dealing

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http://books.google.com.pk/books?id=gfHq9LU3igC&pg=PA276&lpg=PA276&dq=With+exclusive+dealing,+the+seller+allows+only+certain+outlets+to+carry+its+products+and+requires+that+these+dealers+not+handle+competitors'+products&source=bl&ots=hMcL_piiiI&sig=rKFPX4uAxkvVjJE8imzp0-MqfN8&hl=en&ei=UzZiTbW7KZCx8QO-qqXxCA&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBQQ6AEwAA#v=onepage&q=With%20exclusive%20dealing%2C%20the%20seller%20allows%20only%20certain%20outlets%20to%20carry%20its%20products%20and%20requires%20that%20these%20dealers%20not%20handle%20competitors'%20products&f=false

- . Intensive dealing
- . Corporate dealing
- . Selective dealing

Question No: 15 (Marks: 1) - Please choose one

Market price is also known as:

. Effective price

Page # 44

The market price (also called effective price) is the amount actually paid.

- . List price
- . Retail price
- . Wholesaler price

Question No: 16 (Marks: 1) - Please choose one

When two or more well known brands are combined in an offer it is called:

- . Private brand
- . Multibrands
- . Co-brand

Page #36

When two or more brands work together to market their products, this is referred to as Co-branding.

- . New brand

Question No: 17 (Marks: 1) - Please choose one

Identify the other name for global market.

- . Consumer market
- . Import market
- . Export market
- . Government market

Question No: 18 (Marks: 1) - Please choose one

Only specially selected resellers (typically only one per geographical area) are allowed to sell the 'product'. Which of following is true?

- . Exclusive distribution

Exclusive distribution - Only one specially selected resellers or authorized dealers(typically only one per geographical area) are allowed to sell the 'product'.

- . Intensive distribution
- . Selective distribution
- . None of given options

Question No: 19 (Marks: 1) - Please choose one

Which of the following is a brand created and owned by a large retailer of a product after purchasing in large quantity from manufacturer?

- . Co-brand
- . Private brand

When large Retailers buy products in bulk from manufacturers and put their own brand name on them, this is called Private Branding, store brand, or private label.

- . Manufacturer's brand
- . Licensed brand

Question No: 20 (Marks: 1) - Please choose one

Which of the following has a quick response towards a new product?

- . Opinion leaders
- . Late majority
- . Early majority
- . Early adopters

Question No: 21 (Marks: 1) - Please choose one The buyer at ABC Furniture Store is informed that if he/she will increase his/her recent order of fifteen mattress sets to twenty, she will receive a 14 percent price reduction. This offer is due to a recent overstock condition at the factory and will not be available in the future. What is the type of discount offered by ABC Furniture store?

- . Trade

- . Seasonal
- . Non-cumulative

Page # 44

- . Promotional

Question No: 22 (Marks: 1) - Please choose one
What is the intention of vertical marketing for retailers and wholesalers?

- . Increase cost
- . Reduce channels
- . Reduce control

Page # 89

Other research indicates that vertical integration is a strategy which is best pursued at the mature stage of the market (or product). At earlier stages it can actually reduce profits

- . Increase control

Question No: 23 (Marks: 1) - Please choose one
A company wants to maximize market share, assuming that market is price sensitive. What pricing strategy you would suggest for the company to achieve this objective?

- .. Cost- oriented pricing
- .. Skimming pricing
- .. Premium pricing
- .. Penetration pricing

Page # 45

Question No: 24 (Marks: 1) - Please choose one
How an increased productivity create competitive advantage?

- .. It reduces cost

This increased productivity can create a competitive advantage in three ways: it can reduce costs, it can increase sales revenue, and it can increase market share.

http://en.wikipedia.org/wiki/Sales_force_management_system

- .. It increases retailers
- .. It increases competitors
- .. It reduces growth

Question No: 25 (Marks: 1) - Please choose one
The skimming, penetration, bargaining and bundling are decided in the _____ of the Marketing Mix strategy.

.. Price Decisions

Pricing: Pricing objectives, pricing method (eg.: cost plus, demand based, or competitor indexing), pricing strategy (eg.: skimming, or penetration).

- .. Place Decisions
- .. Product Decisions
- .. Promotion Decisions

Question No: 26 (Marks: 1) - Please choose one
Which of the following is known as a set of marketing tools used by the firms to pursue its marketing objectives in the target market?
Select correct option:

- .. Marketing mix
- .. Promotion mix
- .. Offering mix
- .. Product mix

Question No: 27 (Marks: 1) - Please choose one

Using one brand name for several related products is known as which of the following?

.. Family branding

When one brand name is used for several related products, this is referred to as **Family branding**.

.. Group branding

.. Combination branding

.. All of given options

Question No: 28 (Marks: 1) - Please choose one

When a company sells a product or service at two or more prices that do not reflect the promotional difference in cost, what is this referring to?

. Promotional pricing

. Differentiation price

. Price discrimination

MCQ # 09

http://wps.prenhall.com/bp_kotler_mm_12/33/8682/2222746.cw/index.html

. Variation pricing

Question No: 29 (Marks: 1) - Please choose one

All activities of selling, transferring and marketing the products through agents and middleman is called:

. Persuasive marketing

. Indirect marketing

Exporting your products through middleman who assumes all risks internationally is called indirect marketing in the international

business

- . Direct marketing
- . Direct mail

Question No: 30 (Marks: 1) - Please choose one

Which of the following is NOT included in the financial summary of a marketing plan?

- . Pro-forma income statement
- . Month-by-month agenda

PAGE # 16

7. Financial Summary

Assumptions, pro-forma monthly income statement, contribution margin analysis, breakeven analysis. This information must be very formally done at this stage

- . Breakeven analysis
- . Assumptions

Question No: 31 (Marks: 1) - Please choose one

Whenever bread comes in your mind; you usually think of a limited number of brand names. It reflects which one of the following concepts?

- . Mind Share

P#65

When people think of examples of a type or category of product, they think of a limited list (referred to as an evoked set). Any product included in an evoked set has mind share. For example, if you are considering purchasing a college education, you have several thousand colleges to choose from. However your evoked set, those that you will consider, will probably be limited to about ten. Of these ten, the colleges that you are most familiar with will have the greatest

proportion of your mind share.

- . Dominant mind share
- . Market share
- . Relative market share

Question No: 32 (Marks: 1) - Please choose one

In which of the following group activities, compromise appears?

- . Influencing
- . Decision making
- . Negotiation
- . None of the given options

Question No: 33 (Marks: 1) - Please choose one

Which of the following is about managing strategically the customer's entire experience with the product and company?

- . Customer experience management

PAGE # 04

- . Customer retention management
- . Customer life-time value management
- . Customer relationship management

Due to my short memory, I remember only these questions:

FOLLOWING ARE LONG QUESTIONS IN MY PAPER:

Question No: 63: How you evaluate that Billboard placement can be possible? 3 marks

Question No: 64: Supply chain management addresses how many problems. Discuss 3 of them? 3 marks

Question No: 65: Explain situations where a company may NOT need

to have a distribution channel. 3marks

Question No: 66: Buyer decision process consists of many steps. Discuss each of them briefly.

Question No: 67: How you consider the Retail pricing and describe any two strategies which retailer used when he is setting the price policies? 5 marks

Question No: 68: Can Loss Aversion ever be Rational, Discuss?

Question No: 69: What are three distinct types of stimuli in consumer environment acting as input variable for the customer to provide information about specific product? 5 MARKS

Mkt501 final term
subjective Solve Questions
By Adnan Awan

Adnanawan6@mail.com

Question No: 49 (Marks: 3)

How public relations are helpful in creating goodwill for organizations?

Ans:

Corporations use marketing public relations (MPR) to convey information about the products they manufacture or services they provide to potential customers to support their direct sales efforts. Typically, they support sales in the short and long term, establishing and burnishing the corporation's branding for a strong, ongoing market.

Question No: 50 (Marks: 3)

How the performance of a supply chain can be measured? Mention any three points.

Ans:

Supply chain management spans all movement and storage of raw materials, work-in-process inventory, and finished goods from point-of-origin to point-of-consumption.

1. Distribution Network Configuration
2. Distribution Strategy
3. Information
4. Inventory Management

Question No: 51 (Marks: 5)

What is Integrated Marketing Communications? Why is it important?

Ans:

Definition:

A management concept that is designed to make all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing work together as a unified force, rather than permitting each to work in isolation. Integrated Marketing Communication is more than the coordination of a company's outgoing message between different media and the consistency of the message throughout. It is an aggressive marketing plan that captures and uses an extensive amount of customer information in setting and tracking marketing strategy. List down at least six examples of sales promotion.

Ans:

Following are the examples of sales promotion:

1. Free travel
2. Discounts and Sales
3. Contests
4. Rebates
5. Gifts and Incentive Items
6. Free Samples

Question No: 52 (Marks: 5)

What is the purpose of marketing research?

Ans:

Market Research is broader in scope and examines all aspects of a business environment. It asks questions about competitors, market structure, government regulations, economic trends, technological advances, and numerous other factors that make up the business environment.

Question No: 53 (Marks: 5)

How sales force automation system has increased the efficiency of sales manager?

Ans:

Sales force automation systems can also affect sales management. The sales manager can configure the system so as to automatically analyze the information using sophisticated statistical techniques, and present the results in a userfriendly way. This gives the sales manager information that is more useful in:

- Providing current and useful sales support materials to their sales staff
- Providing marketing research data : demographic, psychographic, behavioral, product acceptance, product problems, detecting trends
- Providing market research data : industry dynamics, new competitors, new products from competitors, new promotional campaigns from competitors, macro environmental scanning, detecting trends
- Co-ordinate with other parts of the firm, particularly marketing, production, and finance
- Identifying your most profitable customers, and your problem customers
- Tracking the productivity of their sales force by combining a number of performance

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Question No: 50 (Marks: 3)

What r those constructs which link input and output actions in the customer decision making process according to Howard and Sheath?

Ans:

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. Perceptual - those concerned with obtaining and handling information about the product or Service
2. Learning - the processes of learning that lead to the decision itself

Question No: 51 (Marks: 5)

The term Publicity and Public relation r interchangeable. Do u agree? (5 marks)

Ans:

No, the term Publicity and Public relation are not interchangeable.

Publicity is the means of using an external entity (celebrities, people from the media, etc) to increase the awareness levels of the product, company, goods etc amongst the public and/or buying segment.

“Publicity is the deliberate attempt to manage the public's perception of a subject”.

Public Relations

“Public Relations is the art and science of building relationships between an organization and its key publics. It is concerned with communications management”.

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- Co-ordinate with other parts of the firm, particularly marketing, production, and finance
- Identifying your most profitable customers, and your problem customers
- Tracking the productivity of their sales force by combining a number of performance

Q11:-How retailers use technology for improving their performance?3marks

ANS

Retailers must use technology to gain a competitive advantage in today's world. Retail research provides critical insights into shoppers' changing habits and attitudes, evaluations of existing and emerging retail technology vendors, and advice about how retailers can harness technology to improve their customer experience and operating results.

Q12:-What are those constructs that link the input and output actions in the consumer decision making process according to the model of Howard and Sheath? 3marks

ANS

One of the best known of the explanatory 'lains the interactions involved are that of Howard and Sheath. This contains a deal of common sense, although, as is often the case with such models, the rather obscure terminology makes it appear more confusing than it really is. **The 'inputs' (stimuli) that the consumer receives from his or her environment are:**

1. **Significative** - the 'real' (physical) aspects of the product or service (which the company make use of)
2. **Symbolic** - the ideas or images attached by the supplier (for example by advertising)
3. **Social** - the ideas or images attached to the product or service by 'society' (for example, by reference groups)

The 'outputs' are what happens, the consumer's actions, as observable results of the input stimuli.

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. **Perceptual** - those concerned with obtaining and handling information about the product or service
2. **Learning** - the processes of learning that lead to the decision itself

Q13:-Why location is important for retailers and what are the promotional tools retailers can use?5marks

ANS

Location is important to any business or organization. You can be in a destitute part of town selling hamburgers and not make any money. If you move your burger business to the heart of the hustle and bustle of business you will be able to make more money. Location is very important to have growth. The correct location is important as well.

Promotional Tools Used by Retailers

- .Special Events
- .Visual Merchandising
- .Public Relations: Promoting and Advancing the Retailer's Image

Q14:-Explain safety need by giving at least four examples? 5marks

ANS

Safety Need: These are dealing with achieving of stability and of consistency in a chaotic world. These are mostly psychological in nature. We need the safety of a home and family.

However, if a family is dysfunctional caused by for **Example**

An abusive husband, he wife cannot move to the next level. Because she is constantly concerned for her safety. Love and belongingness have to wait until she is no longer fear. Many in our society cry out for law and other because they do not feel safe enough to go for a walk in their neighbourhood.

Provide a safe working environment, retirement benefits, and job security.

Once a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include:

1. Need for friends
2. Need for belonging
3. Need to give and receive love

Q15:-You are going to purchase a personal computer; which channel of distribution you will use to purchase your computer. Explain it with logical reasoning?5marks

ANS

I will prefer to purchase to retailer, because it's convenient rather than searching out the different companies for every part of PC. Its feel me easy to buy from one place. In some cases it's not possible that to purchase single from manufacturer. Retailers involved in a more exclusive distribution arrangement are likely to be more "loyal", they will tend to

1. Recommend the product to the customer and thus sell large quantities;
2. Carry larger inventories and selections;
3. Provide more services

Question No: 49 (Marks: 3)

Suppose you are going to buy an item which is offered for Rs.5000. Consider these situations.

There is 10% discount.

There is 10% surcharge

Calculate price you are going to pay for the item in each case.

Ans:

Price after discount:

As discount is 10% so the new price will be 90% of the actual price that is
 $5000 \times 90 / 100 = 4500$

Price after surcharge:

As surcharge is 10% so new price will be 110% of actual price that is
 $5000 \times 110 / 100 = 5500$

Question No: 50 (Marks: 3)

Differentiate between sales price and transfer price.

Ans:

Transfer price means to set the location, to analyze, place and alteration of charges made between two parties or companies for any business. Transfer prices among mechanisms may be used to reflect distribution of resources among such components or for other purposes. Transfer prices are important for both taxpayers and tax

managements because they determine in large part the income and expenses and taxable profits.

Sale price is that price at which something is obtainable for sale we can also say it the fair market value. According to the business dictionary sale price is also the reduce price of something during sale of something.

Question No: (Marks: 3)

List down at least six examples of sales promotion?

ANS

Examples of sales promotion are

- COUPONS
- DISCOUNTS AND SALES
- CONTESTS
- POINT OF PURCHASE DISPLAYS
- REBATES
- FREE SAMPLES (IN THE CASE OF FOOD ITEMS)
- GIFTS AND INCENTIVE ITEMS
- FREE TRAVEL, SUCH AS FREE FLIGHTS

Question No: (Marks: 3)

Why it is necessary for a marketer to understand the consumer behavior? Discuss it.

ANS

The study of consumer behavior (CB) is very important to the marketers because it enables them to understand and predict buying behavior of consumers in the marketplace; it is concerned not only with what consumers buy, but also with why they buy it, when and where and how they buy it, and how often they buy it, and also how they consume it & dispose it. Consumer research is the methodology used to study consumer behavior; it takes place at every phase of the consumption process: before the purchase, during the purchase, and after the purchase. Research shows that two different buyers buying the same product may have done it for different reasons, paid different prices, used in different ways, have different emotional attachments towards the things and so on.

Question No: (Marks: 3)

How sales force automation system has increased the efficiency of sales manager?

ANS

Sales staff will use their time more efficiently and more effectively. The sales manager will also become more efficient and more effective. This increased productivity can create a competitive advantage in three ways: it can reduce costs, it can increase sales revenue, and it can increase market share. Field sales staff will send their information more frequently.

Question No: 51 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

Ans:

Negotiation means two persons or two parties trying to solve some problem, Negotiations can occur in profit organization, non profit organization and Govt. offices.

There are many techniques used in negotiations like by skilled negotiator. The analysis of the negotiation or problem organization style should have the following points consideration:

- Presenting demands
- Ability to speak first
- Calculation Deadlines
- Take it or leave it
- Rejecting an offer
- Limited authority
- Getting it in your hands

The effective negotiating resulting in a best solution and by negotiation we solved very big problems in any organization.

Question No: 52 (Marks: 5)

What are the important questions a marketer should consider while selecting a distribution channel for any market segment?

Ans:

Before selecting a distribution channel for any market segment following questions must be answered in order to have an effective distribution channel.

Who is the operating authority of the channel?

Should distribution be exclusive, selective or extensive?

Should the product be sold through a retailer?

Should the product be distributed through wholesale?

Should multi-level marketing channels be used?

How long should the channel be?

Where should the product or service be available?

When should the product or service be available?

Should channel relationships be informal or contractual?

Should electronic methods of distribution be used?

Are there physical distribution and logistical issues to deal with?

Question No: 53 (Marks: 5)

When we are going to buy something from the market, it happens to our self that we buy things irrationally. How would you comment on this situation by keeping in view the model of Herbit Simon?

Ans:

Buyers normally engage in irrational buying behavior because perfectly rational buying cannot be achieved for the reason that there are number of factors that limit rational buying.

As Simon said if a complete analysis is to be done, a decision will be immensely complex.

Peoples' information processing ability is very limited.

The assumption of a perfectly rational economic actor is unrealistic.

Often we are influenced by emotional and non-rational considerations when we try to be rational we are at best only partially successful.

Moreover, perfectly rational decisions also pose a time constraint.

Q20:-Suppose you are going to buy an item which is offered for Rs.5000. Consider

**these situations? There is 10% discount, There is 10% surcharge
Calculate price you are going to pay for the item in each case? 3marks**

ANS

Price after Discount:

As discount is 10% so the new price will be 90% of the actual price that is
 $5000 \times 90 / 100 = 4500$

Price after surcharge:

As surcharge is 10% so new price will be 110% of actual price that is
 $5000 \times 110 / 100 = 5500$

Question No: 21 (Marks: 3)

Differentiate between sales price and transfer price?

ANS

Transfer price means to set the location, to analyze, place and alteration of charges made between two parties or companies for any business. Transfer prices among mechanisms may be used to reflect distribution of resources among such components or for other purposes. Transfer prices are important for both taxpayers and tax managements because they determine in large part the income and expenses and taxable profits. Sale price is that price at which something is obtainable for sale we can also say it the fair market value. According to the business dictionary sale price is also the reduce price of something during sale of something.

Question No: 22 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

ANS

Negotiation means two persons or two parties trying to solve some problem, Negotiations can occur in profit organization, non profit organization and Govt. offices. There are many techniques used in negotiations like by skilled negotiator. The analysis of the negotiation or problem organization style should have the following points consideration:

Presenting demands

Ability to speak first

Calculation Deadlines

Take it or leave it

Rejecting an offer

Limited authority

Getting it in your hands

The effective negotiating resulting in a best solution and by negotiation we solved very big problems in any organization.

Question No:23 (Marks: 5)

What are the important questions a marketer should consider while selecting a distribution channel for any market segment?

ANS

Before selecting a distribution channel for any market segment following questions must be answered in order to have an effective distribution channel.

1. Who is the operating authority of the channel?
2. Should distribution be exclusive, selective or extensive?
3. Should the product be sold through a retailer?
4. Should the product be distributed through wholesale?
5. Should multi-level marketing channels be used?
6. How long should the channel be?
7. Where should the product or service be available?
8. When should the product or service be available?
9. Should channel relationships be informal or contractual?
10. Should electronic methods of distribution be used?
11. Are there physical distribution and logistical issues to deal with?
- 12.

Question No: 24 (Marks: 5)

When we are going to buy something from the market, it happens to our self that we buy things irrationally. How would you comment on this situation by keeping in view the model of Herbit Simon?

ANS

Buyers normally engage in irrational buying behavior because perfectly rational buying cannot be achieved for the reason that there are number of factors that limit rational buying. As Simon said if a complete analysis is to be done, a decision will be immensely complex. Peoples' information processing ability is very limited. The assumption of a perfectly rational economic actor is unrealistic. Often we are influenced by emotional and non-rational considerations when we try to be rational we are at best only partially successful. Moreover, perfectly rational decisions also pose a time constraint.

Question No: (Marks: 5)

Differentiate between economic and psychological models?

ANS

Economic models - These models are largely quantitative and are based on the assumptions of rationality and near perfect knowledge. The consumer is seen to maximize their utility. See consumer theory. Game theory can also be used in some circumstances.

Psychological models - These models concentrate on psychological and cognitive processes such as motivation and need reduction. They are qualitative rather than quantitative and build on sociological factors like cultural influences and family influences.

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