

UNIT-V
CHAPTER
14

MARKETING AND MARKETING MIX

INTRODUCTION

The marketing mix refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. Marketing is indeed an ancient art. The traditional objective of marketing had been to make goods available at placed where they are needed. Marketing mix involves many crucial decisions relating to each element of the mix. It is applicable not only to business organizations but also to non-business organizations, such as clubs and educational institutions. The 4 Ps of marketing namely Product, Price, Place and Promotion is the foundation model of marketing mix. This chapter clearly defines the Evolution of marketing and the process of marketing mix.

I. CHOOSE THE CORRECT ANSWERS

- The initial stage of marketing system is _____**
a) Monopoly system b) Exchange to Money
c) Barter system d) Self producing
- Who is supreme in the Market?**
a) Customer b) Seller
c) Wholesaler d) Retailer
- In the following variables which one is not the variable of marketing mix?**
a) Place Variable b) Product Variable
c) Program Variable d) Price Variable
- Marketing mix means a marketing program that is offered by a firm to its target _____ to earn profits through satisfaction of their wants.**
a) Wholesaler b) Retailer
c) Consumer d) Seller
- Which one is the example of intangible product?**
a) Education b) Mobiles
c) Garments d) Vehicles

ANSWERS

1	c	2	a	3	c	4	c	5	a
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II. VERY SHORT ANSWER QUESTIONS:

- Define Marketing Mix.**
"Marketing mix is a pack of four sets of variables namely product variable, price variable, promotion variable, and place variable".
- Give any two internal factors affecting the price of product/service.**
Factors affecting price product/service:
1. Marketing Objectives
2. Marketing Mix Strategy
- Define Product.**
According to Philip Kotler, " A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or a need".

III. SHORT ANSWER QUESTIONS:

- What are the Objectives of marketing?**
Objectives of marketing:
The following are the objectives of marketing:
i. Intelligent and capable application of modern marketing policies.
ii. To develop the marketing field.
iii. To develop guiding policies and their implementation for a good result.
iv. To suggest solutions by studying the problems relating to marketing.

- v. To find sources for further information concerning the market problems.
- vi. To receive existing marketing function, if shortcomings are found.
- vii. To take appropriate actions in the course of action.

2. What is need for market and explain the concept of marketing?

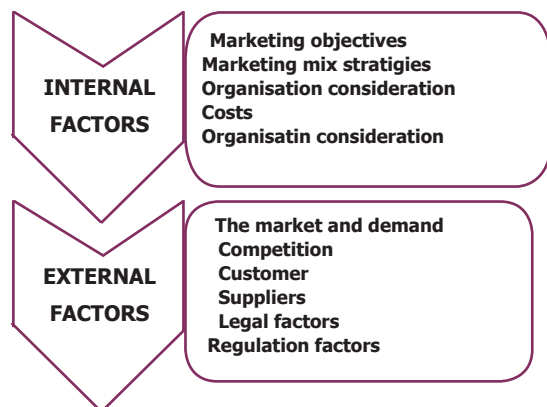
Need for market:

- i. To exchange (barter) goods and services.
- ii. To adjust demand and supply by price mechanism.
- iii. To improve the quality of life of the society.
- iv. To introduce new modes of life.
- v. To develop product by enhancing market.

The following are the points involved in the concept of marketing:

- ❖ What I can sell? – The marketer has to decide what he/she can sell but not try to sell what they can make.
- ❖ Shall I first create products? – The first aim of the marketer is to create a customer and not to create products.
- ❖ Shall I love my products? – The marketer has to love the customers and not the products.
- ❖ Who is supreme in markets? – According to this concept the customer is supreme or king of the market.
- ❖ Who will shape my decisions? – This concept clearly describes that the customers preference shape the marketers decisions.

3. What are the factors affecting price of product?



4. What do you mean by marketing mix? Describe any two elements.

Marketing mix refers to two things:

- ❖ A list of important elements or ingredients that make up the marketing programme and
- ❖ The list of forces having bearing on marketing operations.

Elements of marketing of mix:

i. Product:

- ❖ Product is the main element of marketing.
- ❖ Without a product, there can be no marketing.
- ❖ According to Philip Kotler, A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or a need

ii. Price:

- ❖ Price is the value of a product expressed in monetary terms. It is the amount charged for the product.
- ❖ According to philopkotler, "price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service".

IV. LONG ANSWER QUESTIONS:

1. Discuss about the evolution of marketing.

i. Barter system: The goods are exchanged against goods, without any other medium of exchange, like money.

ii. Production orientation: This was a stage where producers, instead of being concerned with the consumer preferences, concentrated on the mass production of goods for the purpose of profit. They cared very little about the customers.

iii. Sales orientation: The stage witnessed major change in all the spheres of economic life. The selling became the dominant factor, without any efforts for the satisfaction of the consumer needs.

iv. Marketing orientation: Customers importance was realized but only as a means of disposing of goods produced. Competition become more stiff. Aggressive advertising, personal selling, large scale promotion etc. are used as tools to boost sales.

v. Consumer orientation: Under this stage only such product are brought forward to the markets which are capable of satisfying the tastes, preferences and expectations of the consumers-consumer satisfaction.

vi. Management orientation: The marketing function assumes a managerial role to co-ordinate all interactions of business activities with the objective of planning, promoting and distributing want-satisfying products and services to the present and potential customers.

2. Why the marketing is important to the society and individual firm Explain.

Marketing is important to the society and individual firm because of the following reasons:

a. To the society:

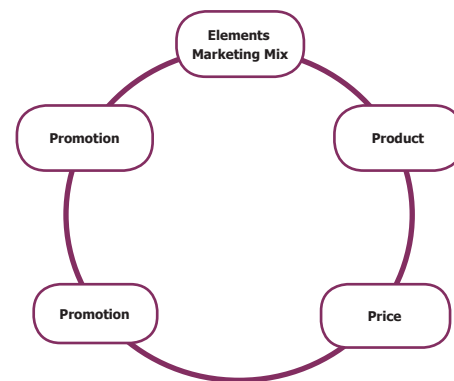
- ❖ Marketing is a connecting link between the consumer and the producer.
- ❖ Marketing helps in increasing the living standard of people.
- ❖ Marketing helps to increase the nation's income.
- ❖ Marketing process increases employment opportunities.
- ❖ Marketing creates modern cultivators.
- ❖ Marketing removes the imbalances of supply by transferring the surplus to deficit areas, through better transport facilities.
- ❖ Marketing helps to maintain economic stability and rapid development in underdeveloped or developing countries.
- ❖ Marketing includes all activities in the creation of utilities-form, place, time and possession.
- ❖ A reduction in the cost of marketing is a direct benefit to society.
- ❖ Marketing adds value of goods by changing their ownership and by changing their time and place of consumption.

b. To the individual firms

- ❖ Marketing generates revenue to firms.
- ❖ Marketing section of a firm is the source of information to the top management for taking overall decisions on production.
- ❖ Marketing and innovation are the two basic functions of all businesses. The world is dynamic.

- ❖ Marketing facilitates the development of business and creates employment of business and creates employment opportunities for people.

3. Narrate the elements of marketing mix.



Elements of marketing of mix:

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iii. Place (Physical Distribution)

- ❖ The fourth element of product mix, namely place or physical distribution facilitates the movement of products from the place of manufacture to the place of consumption at the right time.
- ❖ The qualified product will be wasted if it is not transferred to the consumers.

iv. Promotion

- ❖ The special features and benefits should be conveyed to the potential consumers.
- ❖ Most of the consumers become customers on the basis of the special features of the products.

4. What is marketing?

- ❖ Marketing is one of the business functions that all activities that take place in relation to markets for actualize potential exchanges for the purpose of satisfying human needs and wants.
- ❖ Marketing is the performance of buying activities that facilitate to ore flow of goods and services from producer to ultimate user.
- ❖ Selling is basically concerned with putting the goods into the hands of the buyers for a price, but marketing is much wider than selling.
- ❖ "Marketing is what a marketer does,"
- ❖ Marketing is one of the oldest professions in the world.
- ❖ The traditional idea of marketing was later on changed by shifting the emphasis from "exchange" to "satisfaction of human wants".
- ❖ Different authors tried to give suitable definition from their viewpoint.
- ❖ Some of the authors emphasis on the traditional view of producing goods and finding out customers, others emphasis on the modern view that marketing must first find out what customers want and then plan a product to satisfy the wants.

5. State to advantage of warehousing.**Warehousing**

Warehouses create time utility by storing the goods throughout the ea and releasing them as and when they are needed.

Advantages of Warehousing:

- ❖ It helps in protection and preservation of goods
- ❖ It facilitate the regular flow of goods.
- ❖ Warehouses enables the continuity in production.
- ❖ The convenient location of warehouses helps in reducing the cost.
- ❖ It is useful for small businessmen.
- ❖ It creates employment.
- ❖ Warehouses facilitates the sale of goods
- ❖ Warehouses reduces the risk of loss.

6. How market information is helpful to invention of new product in the market?

- ❖ By knowing the market information the producer can know well about the attitude of the customers.

- ❖ With the knowledge of the taste and preferences of the consumer the product may be designed as per the wish of the consumers.
- ❖ By knowing the sufficient information the cost of a product will be decided.

ADDITIONAL QUESTIONS:**I. CHOOSE THE CORRECT ANSWERS:****1. After considering the following arrange them in correct sequences:**

- | | |
|-------------------------|-----------------------|
| i. Pricing objectives | ii. Pricing Methods |
| iii. Pricing Strategies | iv. Pricing decisions |
| a) i,iii,ii,iv | b) i,iv,iii,ii |
| c) ii,i,iv,iii | d) iv,ii,iii,i |

2. Marketing must be understood in a new sense that can be characterized as _____.

- a) Get there first with the most
- b) Management of youth demand
- c) Satisfying customer needs
- d) Telling and selling

3. _____ means classification of standardized product into certain well defined classes or groups.

- a) Gradation
- b) Segmentation
- c) Standardization
- d) Specification

4. Anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need is called _____.

- a) demand
- b) Idea
- c) Product
- d) Service

5. When a company review sales, costs and profit projections for a new product to find out whether these factors satisfy the company's objectives, they are in which of the following new-product development stages?

- a) Business analysis
- b) Commercialization
- c) Concept development
- d) Marketing strategy development

6. Highest percentage of ideas for new products originates from which of the following sources?

- a) Competitors b) Customers
c) Employees d) All the above

7. Marketing is a process which aims at _____.

- a) Production
b) Profit making
c) satisfaction of customer needs
d) Selling product

8. _____ is the father of Modern Marketing

- a) Peter Drucker b) Philip Kotler
c) Lester Wunderman d) None of the above

9. _____ are the form of human needs take as shaped by culture & individual personality.

- a) Wants b) Demands
c) Needs d) Social needs

10. Which of the following risks are bore by a marketer?

- a) Time risk b) Human risk
c) Political risk d) all the above

**11. Assertion(A): Selling is the major objective of any marketing activity in the world
Reason(R): Marketing completes with the real sale of goods and services bought or acquired by the seller.**

- (a) (A) is correct, but (R) is wrong.
(b) Both (A) and (R) are correct.
(c) (A) is wrong, but (R) is correct.
(d) Both (A) and (R) are wrong.

12. Which of the following is the most correct statement?

- a) The different activities includes in the delivery of goods and services from producer to the ultimate consumers or users is known as marketing.
b) Marketing is to ensure that the product is easily and effectively moved from the point of production to the target market ensures that the product can be easily accessed by customers.
c) Marketing is the activity, set of institutions and process for creating, communicating, delivering

and exchanging offerings that have value for customers, clients, partners and society.

- d) Marketing is the last step in the chain of commerce where a buyer exchanges cash for a seller's good or service, or the activity of trying to bring this about.

**13. Assertion (A): Customers buy products
Reason(R): Consumers use products**

- (a) (A) is correct, but (R) is wrong.
(b) Both (A) and (R) are correct.
(c) (A) is wrong, but (R) is correct.
(d) Both (A) and (R) are wrong.

14. Statement (A): Selling is important not merely for increasing the profits of businessmen, but also for making goods and services available to the consumers in society.

Statement (B): It is the process whereby goods and services finally flow to the consumers who need them and the firm performs its function of distributing its products among consumers.

Code:

- (a) Statement A and statement B both are true
(b) Statement A is true but statement B is not true
(c) Statement A is true but statement B is the reason of statement A
(d) Statement A and B are true, but statement B is not the reason of statement A

15. Assertion (A): High customer expectations lead to dissatisfaction as product performance never matches them.

Reason (R): Product performance is always customer specific.

Codes:

- (a) Both (A) and (R) are correct.
(b) Both (A) and (R) are incorrect.
(c) (A) is correct, but (R) is incorrect.
(d) (R) is correct, but (A) is incorrect.

ANSWERS

1	b	2	c	3	a	4	c	5	a
6	b	7	c	8	b	9	d	10	d
11	b	12	c	13	b	14	c	15	b

II. VERY SHORT ANSWER QUESTIONS:**1. What is meant by Barter System?**

The exchange of goods against goods without any other medium of exchange like money is known as barter system.

2. What is meant by Grading?

Grading means classification of standardized products into certain well defined classes.

3. What is meant by Branding?

Branding means giving a name or symbol to a product in order to differentiate it from competitive products.

III. SHORT ANSWER QUESTIONS:**1. What is meant by Storage?**

❖ Storage is the one among the Physical Supply function of marketing process.

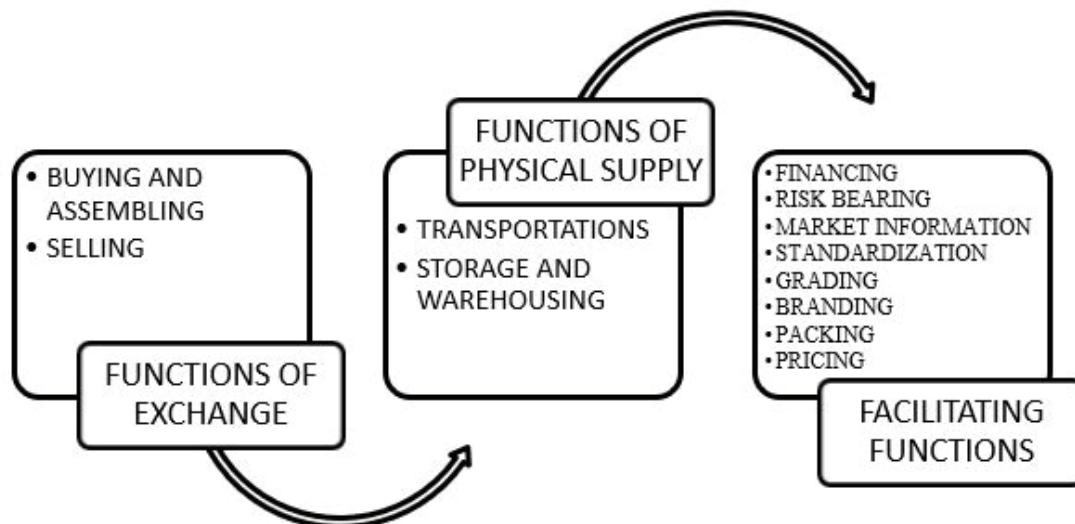
- ❖ It involves the holding and preservation of goods from the time they are produced to the time they are consumed.
- ❖ There is a time gap between the production and consumption of goods.
- ❖ Therefore there is need for storing so as to make the goods available to the consumers and when they are required.

2. Write a note on packing.

- ❖ Packing means wrapping and crating of goods before distribution.
- ❖ Goods are packed in packages or containers in order to protect them against breakage, leakage, spoilage and damage of any kind.

IV. LONG ANSWER QUESTIONS:**1. Explain the functions of marketing**

According to Professors Clark and Clark the following are the functions of marketing.

**1. Functions of Exchange:**

Exchange refers to transfer of goods and services for money's worth. This process can be divided into (a) Buying and assembling and (b) selling

2. Functions of Physical Supply

There are two important functions under this classification:

- i. Transportation ii. Storage and ware housing.

3. Facilitating Functions

There are the functions which help or facilitate in the transfer of goods and services from the producer to the consumer. They are not directly connected with the transfer of goods. Under this category the following functions are included.

3. Write a note on Facilitating functions of marketing:**i) Financing:**

Financing play a crucial role in the marketing. Without finance the activities of the markets cannot be taken place. The finance may be classified into the following:

- a. Long-term finance
- b. Medium-term finance
- c. Short-term finance

ii) Risk Bearing:

The marketers always bear the risk. The risk taking ability of the marketer makes an increment in the process of earning profit. The following are the risks involved in the marketing.

- a. Time risk
- b. Place risk
- c. Competition risk
- d. Risk of change in demand
- e. Risk arising from natural calamities
- f. Human risks
- g. Political risks

iii. Market Information: According to Clark and Clark market information means "all the facts, estimates, opinions and other information used in marketing of goods".

iv. Standardization: Standardization means establishment of certain standards based on intrinsic qualities of a commodity. The quality may be determined on the basis of various factors like size, colors, taste, appearance etc.

v. Grading: Grading means classification of standardized products in to certain well defined classes.

vi. Branding: Branding means giving a name or symbol to a product in order to differentiate it from competitive products.

vii. Packing: Packing means wrapping and crating of goods before distribution. Goods are packed in packages or containers in order to protect them against breakage, leakage, spoilage and damage of any kind.

viii. Pricing: Pricing is perhaps the most important decision taken by a businessman. It is the decision upon which the success or failure of an enterprise depends to a large extent. Therefore, price must be determined only after taking all the relevant factors into consideration.