

# CHAPTER 1

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## 1) What is a Market?

### Simple Meaning

A market is not only a place like a shop or bazaar.

A market means any system where buyers and sellers communicate and exchange goods or services.

### A market can be:

- A shop
- A weekly bazaar
- A mobile app (Amazon, Flipkart)
- A website ( Make My Trip, Ola, Uber)

### Easy Definition

A market is a place or a platform where buyers and sellers interact to exchange goods or services.

### Key Points (Easy to Remember)

- Must have buyers + sellers
- Must have communication (face-to-face, app, phone, website)
- Must have exchange (give product, take money)

### Examples

- Street vegetable market in a city
- Shopping malls
- Amazon Marketplace (online market)

## 2) Types of Market

### A) Based on Area

Type	Meaning	Simple Example
Local Market	Small area only	Local shop
National Market	Whole country	Reliance Stores
International Market	Between countries	Nike, Samsung exports

## B) Based on Competition

Market Type	Features	Example
Perfect Competition	Many sellers, same product	Wheat, rice markets
Imperfect (Monopoly & Oligopoly)	Few sellers or one brand	Jio (network), Coca-Cola vs Pepsi

## C) Based on Transaction

Type	Meaning	Example
Spot Market	Immediate exchange	Buying gold today
Future Market	Delivery later	Oil future contracts

## Why Types Matter (Simple Answer)

Different products and buyers need different market systems. Companies choose the best market type for selling products effectively.

## 3) What is Marketing?

### Simple Meaning

Marketing means understanding customer needs first, and then providing products or services that satisfy those needs.

### Marketing is not only selling

It includes planning, pricing, promoting, delivering, and keeping customers happy.

### Easy Definition

Marketing is a process of finding customer needs and providing products or services that satisfy them profitably.

### Examples

Product	What Marketing Focuses On
Maggi	Quick cooking need
Ola/Uber	Easy travel need
Amul	Daily milk need

## 4) Evolution of Marketing (How Marketing Changed Over Time)

Stage	Focus	Example
Production Stage	Making more products; nobody questioned choice	Old Ford Cars
Sales Stage	Selling forcefully	Door-to-door selling
Marketing Stage	Customer needs first	Meesho, OTT Platforms
Relationship Stage	Retaining customers	Amazon Prime, Zomato Pro
Societal Stage	Customer + Society welfare	Electric Vehicles (Tesla, Tata EV)

### Simple Conclusion

Earlier marketing focused on products. Today marketing focuses on customers and society.

## 5) Difference: Traditional vs Modern Marketing

Basis	Traditional	Modern
Focus	Selling products	Satisfying needs
Communication	One-way (ads only)	Two-way (feedback, social media)
Approach	Product-oriented	Customer-oriented
Goal	Profit only	Profit + Customer loyalty
Example	Newspaper ads	Instagram, YouTube marketing

## 6) Importance of Marketing

### A) For Business

- Helps increase sales and profit

- Builds brand image (Amul, Apple)
- Beats competition (Colgate vs Patanjali)
- Helps decide price, quantity, product features

## B) For Society

- Improves living standard (better products)
  - Creates jobs (delivery, stores, ads industry)
  - Helps customers get correct information
  - Encourages new products (EVs, organic food)
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## 7) Limitations / Problems of Marketing

- Increases product price due to ads
- Creates artificial wants (buy more than needed)
- Can mislead customers through wrong ads
- Can cause environmental waste (packaging)

## 8) Functions of Marketing (What Marketing Does?)

Function	Simple Explanation
Buying & Selling	Bringing products to market
Transportation	Moving products from factory to shops
Storage	Keeping goods safe in warehouse
Branding & Packaging	Giving identity and protection
Pricing	Setting correct price
Promotion	Advertising a product
Market Research	Studying customer needs
Financing & Risk Bearing	Providing credit, handling risks

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# CHAPTER 2

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## 1) Market Segmentation

### Meaning

Market segmentation means **dividing a large market into smaller groups of consumers** who have similar needs, habits, income, lifestyle, or behavior.

Each segment responds differently to products, so firms can design **separate products or marketing strategies for each group.**

### Simple Idea:

One product cannot satisfy everyone → divide people into groups.

### Definition

Market segmentation is the process of dividing a market into smaller customer groups with similar characteristics, needs, or buying behavior.

## 2) Importance / Need of Market Segmentation

Market segmentation is important because customers are different in age, income, taste, location, etc. It helps companies focus on the right people.

### Importance Explained

#### 1. Better Customer Satisfaction:

Products are designed according to customer needs.

*Example: Baby oil for babies, face cream for adults.*

## **2. Cost-Effective Marketing:**

Advertising becomes cheaper because it reaches only the target group.

*Example: Sports brands advertise on sports channels.*

## **3. Higher Sales and Profit:**

Correct customers buy more.

*Example: Low-budget cars for middle-class → more sales.*

## **4. Beats Competition:**

Serving special needs helps a firm stand out.

*Example: Ayurvedic cosmetics segment by Patanjali.*

## **5. Helps Product Development:**

New products are made for specific groups.

*Example: Sugar-free biscuits for diabetic patients.*

### **Conclusion Line for Exam:**

Segmentation makes marketing focused, economical, and profitable.

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## **3) Limitations of Market Segmentation**

**Expensive:** Requires research, surveys, product variety.

**Managerial Difficulty:** Many segments = more planning.

**Small Market Size:** One segment may not have many buyers.

**Risk of Wrong Segmentation:** Wrong selection leads to loss.

**Increase in Production Cost:** More product variations needed.

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## **4) Bases / Types of Market Segmentation**

### **A) Geographic Segmentation**

- Based on **location, climate, region, city/village.**
- Example: Woolen clothes in cold regions; AC in hot cities.

### **B) Demographic Segmentation**

- Based on **age, gender, income, education, occupation, family size**.
- Example: Toys for children; bikes for youth; luxury cars for rich.

### C) Psychographic Segmentation

- Based on **lifestyle, personality, social class, interests**.
- Example: Gym supplements for fitness lifestyle; vegan food for ethical consumers.

### D) Behavioral Segmentation

- Based on **buying habits, loyalty, usage rate, benefits**.
- Example: Data packs for heavy internet users; reward points for loyal customers.

#### Memory Trick:

**G = Place | D = People | P = Lifestyle | B = Behaviour**

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## 5) Characteristics of a Good Market Segment

A market segment should be:

Characteristic	Meaning
Measurable	Can be identified & counted
Substantial	Large enough for profit
Accessible	Company can reach it through channels
Differentiable	Different needs from other segments
Actionable	Company can serve it effectively

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## 6) Approaches / Patterns of Market Segmentation

Approach	Meaning	Example
People-Oriented Approach	Segmentation based on customer needs first	Shampoo variants for dandruff, oily hair, hair fall
Product-Oriented Approach	Segmentation based on product type & quality	Mobile phones → basic, mid-range, premium

## Simple Difference:

People-oriented = Who to serve?

Product-oriented = What to offer?

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# MARKETING MIX (4Ps)

## 1) Meaning of Marketing Mix

Marketing mix refers to a combination of four important marketing elements—Product, Price, Place, and Promotion—used by a business to satisfy customers and achieve goals.

### Definition (Short)

Marketing mix is the set of controllable marketing tools (4Ps) used to influence customers and increase sales.

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## 2) Elements of Marketing Mix (4Ps)

### A) Product

- Anything offered to satisfy needs (goods, services, ideas, experiences).
- Includes **quality, design, brand name, packaging, features, warranty, after-sales service.**

**Examples:** Cars, soaps, tuition classes, health insurance, restaurant food.

## B) Price

- Amount paid by customers to buy a product.
- Depends on **cost, profit margin, competition, demand, customer value**.
- Includes **discounts, credit facility, payment method**.

**Example:** ₹50 popcorn vs ₹200 in theatres (pricing based on place & value).

## C) Place (Distribution)

- Making product available at the right location.
- Includes **wholesalers, retailers, transport, storage, online delivery**.

**Examples:** Amazon delivery, Big Bazaar stores, kirana shops.

**Goal:** Right product, at right place, at right time.

## D) Promotion

- Communication activities to inform and persuade customers.
- Includes **advertising, sales promotion, personal selling, publicity, social media marketing**.

**Examples:** Discount offers, Instagram ads, free samples, newspaper ads.

**Goal of Promotion:** Create awareness + attract + convince customers.

# Importance / Role of Marketing Mix

- Helps **match product with customer need**
- Improves **planning & decision making**
- Builds **brand image**
- Helps in **competition**
- Increases **sales, profit, and market share**
- Ensures **right product-right price-right place-right promotion**

**Exam Line:**

Marketing mix helps a business design the best strategy to satisfy customers and achieve success.

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# CHAPTER 3

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## 1) Meaning of Salesmanship

### Simple Meaning

Salesmanship means **helping customers buy a product by guiding, convincing, and providing correct information.**

A salesman doesn't "force" people to buy — he **helps them decide.**

### Definition (Easy)

Salesmanship is the art of influencing people to buy a product by understanding their needs and providing the right solution.

**Key Idea:** A salesman solves customer problems, not just sells products.

## 2) Salesmanship: Art or Science?

Salesmanship is **both art and science.**

Aspect	Why?	Example
Art	Uses creativity, communication, personality	Friendly talk with customers
Science	Based on product knowledge, buyer psychology, techniques	Explaining features, comparisons

**Conclusion:**

Salesmanship is a scientific art because it uses knowledge creatively to convince customers

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### 3) Objectives of Salesmanship

To increase sales of the company.

To satisfy customer needs with correct products.

To create demand for new and existing products.

To build customer loyalty toward the brand.

To communicate product benefits clearly.

### 4) Characteristics / Features of Salesmanship

Feature	Short Explanation
Persuasion	Convincing customers with reasons, not pressure.
Product Knowledge	Know features, price, benefits clearly.
Customer Study	Understand needs, taste, income, habits.
Confidence	Speak politely but with assurance.
Service Attitude	Aim to help customers, not only sell.

Salesmanship is based on persuasion + knowledge + customer understanding.

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## 5) Scope of Salesmanship

Salesmanship is not only for shops; it is useful in many fields.

### A) Scope in Business

- Retail shops (electronics, clothing, furniture)
- Banks and insurance agents
- Real estate brokers
- Pharmaceutical representatives (medicine sales)
- Automobile showrooms

### B) Scope in Society

- Teachers convince students to learn.
- Doctors convince patients for treatment.
- Politicians convince public through campaigns.
- Lawyers convince judges through arguments.

### Conclusion:

Salesmanship is useful in almost every profession where persuasion is required.

## 6) Importance / Utility of Salesmanship

To Whom?	Benefit
Producers	More sales, more profit, better brand image.
Consumers	Correct guidance, no cheating, product knowledge.
Society	Employment growth, awareness of new products.
Government	Higher tax income due to increased sales.
Salesman	Good earning, growth, independence, recognition.

Easy Memory Trick: P–C–S–G–S = Producer, Consumer, Society, Government, Salesman

## 7) Essential Qualities of a Good Salesman

Quality	Short Explanation
Good Personality	Neat appearance, good posture, polite behavior
Communication Skills	Speak clearly, listen actively
Honesty & Integrity	Suggest correct product, no cheating
Patience	Handle customer doubts calmly
Product Knowledge	Should know features, price, usage
Confidence	Convince customers without fear
Service Mindedness	Focus on helping customers

### Example:

A good salesman doesn't only say "Buy this phone," he explains battery, camera, price offers, and warranty.

## 8) Difference between Selling and Salesmanship

Basis	Selling	Salesmanship
Meaning	Transfer of goods for money	Persuading & helping to buy
Focus	Company needs	Customer needs
Method	Push to sell	Guide to buy
Duration	Short-term goal (sale)	Long-term relationship

### Conclusion:

Selling is the result; salesmanship is the process.

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