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1. Macro environment include variables which directly or indirectly exert an influence on the business. Do you agree or not? Justify your answer in detail.

Answer:

Yes, 'Macro Environment' has an effect on a business/company. It refers to a wide-range of external economic factors which the company doesn't control. A few examples are changes in politics and governance, technological advancements, passing of new laws, a change in the public's perspective of something, etc. These factors can bring both opportunities to the business, and can also pose a threat to the business. We will be discussing a few such factors in detail below -

- **Economic Environment** – The economic condition of the state or country will have an effect on the business. It identifies with the buying/spending powers of the public. For example, a business is likely to incur losses if it were to export its products to a state or country where the public do not spend much. And so, if there is a boom in the economy then it will create favorable conditions for businesses to benefit from it. The income of individuals will generally be higher, the rate of interests will be lower, new capital will be available with the public, etc. And in case of a bust the opposite is also true.
- **Socio Cultural Environment** – Any business should make decisions in accordance with the cultural and social beliefs. For example, in japan people generally do not retire at 60 but work for five to ten years more after sixty, and this has a huge impact on companies. Businesses which consistently work in accordance with the cultural and social beliefs of the public are able to create loyal customers more easily and can retain them more effectively. Cultural factors have a significant impact on the company's success in the long run and therefore the Socio Cultural Environment play a huge role in the decision making of a company.

- Technological environment – The Technological Environment identifies with new innovations which open up the market for new products or opportunities. And in today's times technology is constantly changing and evolving and it is very important for businesses to keep up with the changes. Technology does not confine only to computers and IT services but also product manufacturing processes, techniques etc. Technological advancements can sometimes be a huge advantage for a business, and can also be a great threat to a business if the technology used by the company becomes outdated/obsolete due to such developments. An example of this factor in recent times is – The impact of the online apps such as 'Swiggy & Zomato' on the food & restaurant businesses in India.
 - Political Environment – The changes and developments in the world of politics strongly influences businesses. It is a combination of the three branches of the government which are the legislature, executive and the judiciary. Prior to entering any new market in any location, the organization should have an understanding of the legal factors, political ideologies of the ruling party (both at the state & central levels), etc. For instance, rules concerning matters like health & safety, import & export, employment, copyright, pricing, etc would require the company to build strategies accordingly and adapt to the market.
 - Natural Environment – Ecological and physical environment play a huge role in the growth and performance of any business. It also refers to the natural resources or physical environment that important for companies (especially manufacturing/production companies). A very good example is 'Global Warming' which has created changes in our physical environment and has affected rainfall in several regions and this in turn has affected crop cultivation. Pollution is also one such factor which has a huge impact on businesses (and even on human conditions as a whole).
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2. Define Product Mix. As every human being has different phases in life, alike product follows. Elaborate the statement with suitable examples applicable in each stage of PLC.

Answer:

A 'Product Mix' which is also called 'Product Assortment' is a strategy where the company offers a variety/combination of products or services with the aim to have a greater potential for overall growth, market share, and revenue. In short 'A product mix is the set of all product lines and items and services that a particular company has to offer for buyers.' Product mix need not always consist of related products but it is important for the company to decide on the type and variety of products or services that it will offer, which in practice are usually

associated items, products or services. Some common elements of a product mix strategy include product line, product breadth, product depth, packaging, and pricing.

The term “PLC” in Marketing elaborates to ‘Product Life Cycle’. And what this means or refers to is that, just like how we human beings go through different phases of life from birth till death, every product has a Life Cycle and goes through different phases starting from the beginning and up until the end. It's also a way for businesses to understand the trajectory of a product/service and make decisions about its marketing, sales, and other aspects of its management. Mentioned below are the stages of the product life cycle:

- Development – This is the stage where a product is being researched, designed and developed.
- Introduction – Once a product is developed, it's introduced to the market for the very first time. In this stage the company will typically focus on marketing and promotional activities by creating awareness and demand for the product/service.
- Growth – In the growth stage, the product starts to gain traction and sales increase. In this phase, the company may focus on expanding distribution and to increase production to meet demands.
- Maturity – In the maturity stage, the product would have reached its peak in terms of sales and market shares. New sales may start to slow down indicating that the market has begun to reach a saturation. This is a phase when the company will focus on maintaining the product's market position and sometimes alter the product and re-introduce it to the market.
- Decline – In this stage, the product/service gradually starts to lose market shares and sales start to drop indicating end-of-life nearing for the product. Eventually the company will discontinue the product/service and it altogether retires from the market.

Examples of some products that have gone through a complete cycle – Typewriters, VCR Players, Pagers, etc.

3. State the benefits of modern marketing concept. Enumerate how does the understanding of marketing concepts give immense benefits to an organisation?

Answer:

‘Marketing’ is of key importance to any business. And Modern Marketing Concepts can bring a number of benefits to an organization. Philip Kotler, an American marketing author, consultant, and professor emeritus quotes “The marketing concept holds the key to achieve organizational goals consistent with the needs and wants of the target market and deliver the desired satisfaction more effectively and efficiently than competitors’

The modern marketing concepts are:

- Knowing who your target consumers are
- Learning about the wants/needs of the consumer through the various interactive medias
- Creating products and services that meet the needs/wants of the target consumer
- To lead the competition in customer satisfaction
- To make sure the efforts put, make profits for the company

Some of the potential benefits of modern marketing concepts include:

- It increases sales and revenue - By understanding the needs and preferences of target markets, organizations can develop marketing strategies that effectively promote their products or services and increase sales and revenue.
 - It improves customer satisfaction - Marketing concepts can help organizations better understand their customers' needs and expectations, which can lead to improved customer satisfaction. This can be achieved through more effective communication, more targeted products and services, and better customer service.
 - It enhances brand recognition and reputation - Marketing concepts can help organizations build and maintain a strong brand identity, which can lead to enhanced brand recognition and reputation. This can be particularly important for organizations operating in crowded or competitive markets.
 - It increases market share - By applying marketing concepts to identify and target new markets or segments, organizations can increase their market share and expand their customer base.
 - It improves efficiency - Marketing concepts can help organizations streamline their marketing efforts and allocate resources more effectively, leading to improved efficiency and cost savings.
 - It can provide new employment opportunities - As the scope of marketing expands, it creates the need for specialists who can assist in providing the expertise needed in a particular area. The CEO cannot do everything, and it becomes necessary for a staff to be employed to be able to fill these gaps accordingly.
 - It helps companies to stand out from the rest – In a market where consumers have a variety of choices for a products, modern marketing helps companies to be the first choice for customers.
 - It can prevent wastage - When a company knows about a product and its demand well, it can reduce the chances of producing something that will be underutilized. This in turn, reduces the waste in production and time.
 - It can increase the quality of production – Knowing beforehand the wants & needs of the customers help the organization in creating better quality products.
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4. The factors which determine consumer behaviour can be grouped into major broad categories. Elaborate categories in detail.

Answer:

There are three broad categories that can influence consumer behavior. They are:

Personal factors – They are individual characteristics that can influence consumer behavior. These factors include:

1. Age and life-cycle stage: Consumers of different ages may have different needs, wants, and purchasing patterns. For example, younger consumers may be more interested in trendy and fashionable products, while older consumers may be more interested in practical and functional products.
2. Occupation: A consumer's occupation can influence their purchasing decisions. For example, a doctor may be more interested in purchasing high-quality and professional products, while a student may be more interested in affordable and practical products.
3. Income: A consumer's income can influence their purchasing decisions. Consumers with higher incomes may be able to afford more expensive products, while consumers with lower incomes may need to be more budget-conscious.
4. Education: A consumer's education level can influence their purchasing decisions. Consumers with higher levels of education may be more interested in learning about and purchasing innovative and high-quality products, while consumers with lower levels of education may be more interested in practical and affordable products.

Socio-cultural factors – They are the cultural and societal factors that influence consumer behavior. These factors include:

1. Culture: Culture refers to the shared values, beliefs, and customs of a society. Culture can influence consumer behavior by shaping attitudes and values about products and brands.
2. Social class: Social class refers to the socio-economic status of a consumer. Consumers from different social classes may have different values, attitudes, and purchasing patterns.
3. Family: Family can influence consumer behavior by shaping attitudes and values about products and brands. For example, parents may influence the purchasing decisions of their children, and siblings may influence each other's purchasing decisions.
4. Reference groups: Reference groups are the groups of people that a consumer identifies with and seeks approval from. These groups can influence consumer behavior by shaping attitudes and values about products and brands.

Psychological factors – They are the psychological and emotional factors that influence consumer behavior. These factors include:

1. **Motivation:** Motivation refers to the underlying drives and needs that influence consumer behavior. For example, a consumer may be motivated to purchase a product because they want to feel good about themselves, or because they want to solve a problem.
 2. **Perception:** Perception refers to the way that a consumer interprets and processes information about products and brands. For example, a consumer may perceive a product as being high quality based on its packaging and branding, even if it is not actually high quality.
 3. **Attitude:** Attitude refers to a consumer's overall evaluation of a product or brand. A consumer's attitude can influence their purchasing decisions.
 4. **Learning:** Learning refers to the way that a consumer acquires knowledge and forms attitudes and behaviors. For example, a consumer may learn about a product through advertising or through personal experience.
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5. Discuss the significance of relationship marketing. Elaborate the methods which organization can adopt to enhance relationship with customers?

Answer:

Relationship marketing is a type of marketing that focuses on building long-term, mutually beneficial relationships with customers. It involves creating and maintaining a positive connection with customers through ongoing communication and interactions.

There are several reasons why relationship marketing is important for any business:

1. **Customer loyalty:** By building strong, long-term relationships with customers, organizations can increase customer loyalty and reduce the likelihood of customers switching to competitors.
2. **Increase in Sales:** Enhanced customer experience makes upselling and cross-selling of goods or services easier to satisfied customers. And this creates an increase in sales volume.
3. **Increased customer satisfaction:** Relationship marketing can lead to increased customer satisfaction because it allows organizations to better understand and meet the needs of their customers.
4. **Low Advertisement Cost:** Successful relationship marketing decreases advertising cost by retaining existing customers for long-term.
5. **Improved customer retention:** Strong customer relationships can improve customer retention, as satisfied customers are more likely to continue doing business with an organization.
6. **Better Profits:** A satisfied customer tends to bargain less and is willing to pay a good price for the goods or services, thus increasing the profit margin of the product.

7. Enhanced brand reputation: By building positive relationships with customers, organizations can enhance their brand reputation and attract new customers through word-of-mouth marketing.
8. Creates Brand Image: A happy customer will promote the product or service among their peers, relatives and the known ones. This word of mouth creates a strong brand image of the organization.
9. Increased profitability: By retaining and satisfying customers, organizations can increase their profitability over the long term.
10. Customer Retention: After customer acquisition comes customer retention. Creating value for the customers and making them buy again is essential. This can be made possible through customer relationship marketing.

There are several methods that organizations can use to build relationships with their customers. Some of these methods include:

1. Personalized communication: Organizations can use personalized communication, such as email or direct mail, to build relationships with customers by tailoring their messaging and offers to the specific needs and interests of each customer.
2. Social media: Social media platforms, such as Facebook, Twitter, and Instagram, can be used to interact with customers and build relationships by responding to comments and questions, sharing relevant content, and running promotions or contests.
3. Customer service: Providing excellent customer service can help organizations build strong relationships with their customers by addressing their needs and concerns in a timely and effective manner.
4. Introductory Offers and gifts: Offers and gifts, such as rewards or points programs, can help organizations build relationships with customers by offering discounts, gifts and incentives for repeat business.
5. In-person events: Hosting in-person events, such as customer appreciation days or product demonstrations, can help organizations build relationships with customers by providing opportunities for face-to-face interaction.
6. Customer feedback: Gathering and responding to customer feedback can help organizations build relationships with customers by showing that they value their opinions and are willing to make changes based on customer feedback.

6. Discuss in detail sequence of steps follow in developing an integrated promotion mix take any example of company at your choice.

Answer:

Promotion mix is a comprehensive and coordinated marketing plan that effectively uses a combination of promotion tools, such as Advertising, Sales Promotion, Personal Selling,

Direct Marketing, Public Relations, Publicity and Online Marketing to effectively communicate and promote a product or service to target audiences.

1. **Advertising:** Advertising refers to the use of paid media, such as television, radio, print, and online, to promote a product or service. Advertising can be used to reach a wide audience and can be targeted to specific demographics or groups. For example, Airtel uses television advertising to reach a broad audience, and sometimes uses targeted online advertising to reach a specific group of consumers, such as young adults.
 2. **Sales promotion:** Sales promotion refers to short-term incentives, such as discounts and coupons that are used to stimulate purchasing behavior. Sales promotions are often used to increase sales during slow periods or to promote new products. For example, Airtel sometimes offers discount on new recharge-plans to encourage consumers to try it, or offers a combo-plan to increase sales of a particular product.
 3. **Personal selling:** Personal selling refers to the use of face-to-face communication between a salesperson and a potential customer to promote a product or service. Personal selling can be used to build relationships with customers and to close sales. For example, Airtel salesperson might visit a potential customer in person to demonstrate the features and benefits of their post-paid service and answer any questions the customer might have.
 4. **Direct marketing:** Direct marketing refers to the use of direct communication with potential customers to promote a product or service. Direct marketing can be used through mail, email, phone, or online channels. For example, Airtel might use email marketing to send promotional messages to a list of potential customers, or use direct mail to send brochures or flyers to a targeted group of consumers regarding their new plans and offers.
 5. **Public relations:** Public relations refers to the use of media and other channels to build relationships with and manage the reputation of an organization. Public relations can be used to build credibility and to respond to crises. For example, Airtel might use public relations to communicate its values and mission to the public, or to respond to negative media coverage.
 6. **Publicity:** Publicity refers to the unpaid communication about a product or service that is generated through media channels. Publicity can be generated through events, news stories, or social media. For example, Airtel gains publicity because of their unique caller-tunes.
 7. **Online marketing:** Online marketing refers to the use of the internet to promote products or services. Online marketing can include tactics such as search engine optimization, social media marketing, and email marketing. For example, Airtel uses search engine optimization to improve its ranking on search engines, or use social media marketing to promote its products and engage with customers online.
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