



## MORE QUESTIONS SOLVED

### I. VERY SHORT ANSWER TYPE QUESTIONS [1 MARK]

Question 1. Give examples of collapse due to failure to meet environmental challenges.

Answer: Nations (Assyria), Species (dinosaurs), industries (Kingfisher) have collapsed because they failed to meet environmental challenges with creative responses.

Question 2. What is demography?

Answer: Demography refers to studying human populations in terms of size, density, location, age, gender, race and occupation.

Question 3. What keeps spinning around in the market?

Answer: Opportunities and threats keep constantly spinning around. Those enterprises that ignore or resist market forces bear the brunt.

Question 4. What does excellent companies keep on doing constantly in the market?

Answer: Excellent companies take an outside-inside view of the market and its forces.

Question 5. 'Google' and 'Yahoo' just appeared and captured, whereas solids like American Airlines and Avon are almost on the brink of winding up. Why?

Answer: Because something in market was either in their favour or against them.

Question 6. What forms the environment of the market?

Answer: The network of "key institutions" interact to supply the markets with needed goods and services, collectively form the 'environment' of the market.

Question 7. What is market?

Answer: A market is an arrangement of establishing effective relationship between buyers and sellers of the commodities.

Question 8. Which factors or forces are at play in the market?

Answer: Following factors or forces are at play in the market:

- Micro (Internal) Environment - Primary
- Macro (External) Environment - Secondary

Question 9. What is said by Edmund Burke related to competitors?

Answer: Edmund Burke said that "An opponent is our helper".

Question 10. How well the company buys the resources depends on which features?

Answer: How well the company buys the resources depends on  
(i) how well it grasps the working of the various supply markets.  
(ii) how well it applies business principles in conducting its relations with suppliers.

Question 11. What can ruin the market for a product?

Answer: Lack of suppliers can ruin the market for a product.

Question 12. What are marketing intermediaries?

Answer: Marketing intermediaries are the organizations or institutions that facilitate the flow of goods and services between the company and its final markets.

## II. Short Answer Type Questions [2/3 Marks]

Question 1. Explain market.

Answer: A market is an arrangement of establishing effective relationship between buyers and sellers of the commodities.

- It consist of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy that need or want.
- It is the forces of demand and supply which represents the aggregate influence of self- interested buyers and sellers on price and quantity of the goods and services offered in the market.

Question 2. What do you mean by a firm?

Answer: A firm is a business organization, such as a corporation, limited liability company or partnership. Firms are typically associated with business organizations that practice law, but the term can be used for a wide variety of business operation units.

Question 3. Give the features of the market.

Answer: Following are the main features of the market:

- Presence of buyers and sellers
- Presence of a commodity (Good or service) which is to be transacted.
- It refers to the whole area where buyers and sellers are in contact. It do not refer to any place.
- There is competition between buyers-buyers, sellers-sellers and buyers-sellers.

Question 4. Give examples of failures of some successful companies.

Answer: Following are the examples:

- 'Motorola, a few years back, dominated the mobile industry. Earlier, it had almost 50% of the cell phone handset market, which now is merely 17%.
- 'Satyam' was once ranked 4th in the top Indian IT companies list in 2008, but collapsed in 2009.

Question 5. Which forces govern the market?

Answer: The goals, objectives, policies, strategies, etc. of the organization are the foremost forces Which govern the market. Successful companies are those that can recognize and respond profitably to unmet needs and trends in the society. Unmet needs always exist.

Question 6. List some unsolved problems in the world.

Answer: Following are some of the unsolved problems of the world:

- A sure shot cure for cancer.
- Permanent chemical cure for mental diseases.
- Desalinization of sea-water.
- Non-fattening tasty nutritious food
- Voice-controlled computer, etc.

Question 7. Which enterprises rule the market?

Answer: Those enterprises rule the market, who are capable of:

- Keeping itself aware of market needs and trends.
- Giving market a solution for their 'unmet' needs.
- Identifying opportunities and threats in the environment.

Question 8. Which features are to be taken into consideration to create, maintain and retain consumer?

Answer: Following features are to be taken in consideration to create, maintain and retain consumer by the enterprises:

- Tradition, customs, beliefs, values of society and customers
- Lifestyle, standard of living, consuming habits
- Propensity to consume and save
- Education level, thinking behaviour
- Income level
- Demographic characteristics, etc.

Question 9. How does the consumers' demand affect enterprises?

Answer: Consumers' demand affects enterprises as it affects the following things of the enterprises:

- Profitability
- Reputation and goodwill
- Expansion plans.

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