



Question 6. What are the different roles played by a salesperson?

Answer: A salesperson plays three different roles:

1. Be persuasive: Salesmen have to persuade the customers to purchase the commodity. This effort is expected to be sincere. It may involve various aspects like clearing the queries of the customers, providing credit facilities, etc.
2. A service provider: All the services related to the product are to be facilitated by the sales person. These services are related to various aspects like maintenance, repair, operation, etc.
3. Be informative: Salesperson have to provide genuine information to the potential customers. Use of unfair information to the customers is not desired and not expected from the salesperson.

Question 7. What are Public Relations?

Answer: Public relations is the deliberate, planned and sustained effort to establish and maintain mutual understanding between an enterprise and their public. It is related to building good relations with the stakeholders of the business by having favourable publicity, building a goodwill and encouraging favourable informative system about the product and the enterprise.

Question 8. Who is a stakeholder?

Answer: Stakeholders are the different groups in a society which can affect the business decision: making and have an impact on its marketing performance. These groups include: Clients/customers, shareholders, media, financial institutions, community groups, etc.

Question 9. What are the main public relations tools?

Answer: The main public relations tools include:

1. News creation and distribution (media releases)
2. Special events such as news conferences, grand openings and product launches
3. Speeches and presentations
4. Educational programs
5. Annual reports, brochures, news-letters, magazines and audio-visual presentations Community activities and sponsorships.

Question 10. Explain the benefits of CRM.

Answer: The benefits of CRM are:

1. Storage: By CRM all business data is stored and accessed from a single location.
2. Central location: Storing all the data of all departments like sales, marketing, customer service etc. in a central location provide immediate access to the recent data when it is required.
3. Collaboration: Departments can collaborate with each other with ease.
4. Improvement: It helps the enterprise to develop efficient automated process to improve business processes.
5. 360-degree view: It provides a 360-degree view of all

customer information, knowledge of what customers want and matching it with existing applications to consolidate all business information.

D. LONG ANSWER TYPE QUESTIONS

Question 1. What is penetration pricing method and enlist its advantages and disadvantages?

Answer: Penetrating pricing is the method of pricing in which the entrepreneur introduces its product in the market with low price compared to competitors. The low price increases the sale of the product tremendously. Normally for keeping low price, the profit margin is normally kept very low. The product thus captures the major part of the market e.g.

Hero Honda, CD Dawn motorbike was introduced with the same pricing method. The CD Dawn penetrated into the market and captured major part of the market. Recently Bajaj CT- 100 also followed the tactics.

Wheel active detergent powder kept the price of Rs. 20 per half kilogram. This also captured the market quickly.

Advantages: Following are the advantages of penetrating pricing method:

1. Quick rise in sales: Penetrating pricing results in the increase in sales with a very high speed.
2. High turnover: The turnover of the enterprise is raised in very short duration. This strengthens the position of enterprise in the market.
3. Return on investments: This method brings decent return on investments. The minimum profit margin is also assured with the sale of each unit.
4. Best method for price elastic goods: When a small range in price brings more change in demand, such products have penetrating pricing as the best method.

Disadvantages: Following are the disadvantages of penetrating pricing method:

1. This method is applicable only to the products and services, which have high price elasticity. Thus, it is not applicable to all the products.
2. Profit margin is low in the price fixed by such method. This profit may not be sufficiently compared to the cost of production and promotion.
3. Turnover of the enterprise increases tremendously. Such enterprises have to prepare themselves for a situation of more financial requirements.

Question 2. What are the various types of brand names from the entrepreneur's perspective?

Answer: Various types of brands available are:

1. Individual brand name: Here, every product is promoted by the entrepreneur on the basis of a separate brand name, like:
Liril—brand name with the “freshness” concept.
Lux — brand name for “beauty soap for film stars”
2. Family brand name (Umbrella branding): Here, the entrepreneur's name or the company's name is used for all the products, like:
Kissan, is brand name for jam, sauces, etc.
AMUL, has been used to market a large variety of dairy products viz. milk, ghee, butter, chocolates, etc.
3. Corporate names: Here, entrepreneur can choose their corporate name or logo together with some brand names of individual products for example, Godrej, Tata, Bajaj, etc.
4. Alpha-numeric names: It is mainly for industrial products. An alpha-numeric name signifies its physical characteristics. For

example, SX4, Liv52, ANX Grindlay, iIO, i20, etc.

Question 3. What are the various factors which help in employee management?

Answer: Various factors which lead to effective employee relationship are as follows:

1. Identifying objectives: It is essential to define what is meant by employee relationship management and what areas of the relationship will be managed. Mainly relationship management centers around attracting and retaining employees.
2. Determining employee needs: Needs varies depending on employee characteristics—age, gender, etc. and also on the type of job being performed. Directly asking the employees through one-on-one conversations is the best way to find the needs. Such contact is take place during formal employee evaluation meetings, through surveys and polls.
3. Balancing work and life needsEffective employee relationship management requires consideration of the whole employee i.e. taking steps to ensure that the employee's work-life is well balanced. This can be done through creative staffing involving part-time, flex-time or even off-site work assignments.
4. Open and honest communication: Managers and top level management must be committed to communicating regularly and honestly with employees about the various issues that affect their work. The more open the organizations are the more likely they are to establish strong relationships that lead to increased loyalty and productivity. It also helps in removing decreased turnover and dissatisfaction.
5. Measuring and monitoring results:Managers and HR departments should be alert at all times for finding the signs of discontent, this can be done by monitoring the results of more formal assessments. Such results should also be shared with employees of the firm.
6. Relationships are interpersonal: Steps must be taken to interact effectively with employees through various ways of communication channels, both interpersonal and formal. Measurement of the effectiveness of these efforts should be frequent and ongoing, with improvements and adjustments.

Question 4. How is vendor management done?

Answer:

1. Meaning: Vendor management is the process of finding, qualifying and doing business with vendors.
2. Activities: Common activities of vendor management include researching vendors, negotiating contracts, obtaining quotes, evaluating performance, creating and updating vendor files, and ensuring that payments are made properly.
3. Outsourcing: Vendor management begins with the decision of outsourcing.
4. Finding vendors: The company then have to find one or more vendors that can supply the good or service needed.
5. Evaluation of vendors: Next thing is to evaluate each vendor based on pricing, capabilities, turn-around time, quality of work, etc. This involves requesting pricing, checking references, and researching the company through online resources.
6. Contract: After vendors are selected, contract terms are followed. Certain vendors might be preferred. Others might be backup vendors in case of further requirement.
7. Vendor files: It often involves a great deal of electronic or manual paperwork. As it include vendor contact information, certificates of insurance and taxpayer identification numbers. Many firms require vendor files to be updated annually in such

case it is ensured to obtain the details every year.

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