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#### Internal Assessment Test 1- Oct 2016

Subject:	ubject: Marketing Management					Code:		16MBA15		
Date:	28/10/2015	Duration:	90Mins	Max Marks:	40	Semester: 1			Branch:	MBA
Note: Part A - Answer any 03 full questions (30 Marks); 02 questions to be consecutive.										
Part B - Compulsory (10 Marks)										

### Part – A Answer any two (3\*2=6 Marks)

1. (a). Define marketing management?

3 Marks

**Definitions:** Marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating, offering and exchanging products of value with others. **Marketing** is a process by which companies create value for customers and build strong customer relationships to capture value from customers in return.

(b). Justify Marketing and selling are synonymous terms.

7Marks

"Marketing and selling are not synonymous but are anonymous concepts". These reason being sometimes it could be misleading that they are synonymous because from an overall perceptive they exhibit executive of similar activities such as buying and selling.

This misconception would be explained better by enumerating the subtle differences between marketing and selling.

These differences are given below:

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Marketing	Selling
Marketing encompasses the overall activities	Selling is the concept of motivating buying
involved in the trade or exchange of goods	activity in consumers based on the goals of the
between buyers and sellers.	organization.
Marketing is based on the "Needs and Wants" of	Selling is based purely on the "sales target".
the customers.	
Marketing is "customer oriented" and the welfare	Selling is "product oriented" and the welfare of
of the customer is taken into consideration.	the customer is not taken into account.
The buyers are informed.	The sellers are informed.
The success of marketing is determined by the	The success rate of the sales depends on the
number of customers gained and retained.	volumes of sales achieved.
Profits are based on satisfying the needs and	Profits of sales are based on the number of the
wants of the customer.	products sold.
Marketing people have the freedom to choose	In the selling concept, the customers are
among the products available based on needs and	encouraged to buy products which benefit the
wants.	vendors.

3. (a). Discuss the role of the various components of the marketing environment?

10 Marks Marketing Environment: It is defined as the "internal and external factors" that affect the marketing activity. It can also be defined as the platform on which the marketing activity of marketing is carried out. The components of marketing environment are classified as follows.

Components of marketing environment:

Depending upon the proximity of the environment to the organisation they are classified as internal and external environment. And depending upon the extent or impact on the organisation they are classified as follows.

- 1. Micro environment
- 2. Meso environment
- 3. Macro environment
- 1. Micro environment: The micro environment is the internal environment is classified as follows.
- a) Management competency: The efficiency of the management of the organisation.

- b) Skilled labour: The quality and qualification the labour skills working in the environment.
- c) Customers: This group of customers refers to the already existing and loyal customers of the company.
- d) Competitors: The level of competition from similarly functioning organisation in the market.
- e) Resources: The raw materials are the physical, psychological and social resource available in the market.
- 2. Meso environment: The meso environment refers to the intermediary factors between the micro and micro environment. They refers to the industry in which the company is organising. The various activities and changes in industry practices also from a vital part of the marketing environment.
- a) IT Sector- recession affects the entire industry.
- b) Hospitality sector- technological revolution
- 3. Macro environment: The micro environment refers to the major factors are the factors which have a greater impact on the marketing environment. They are classified as follows
- a) Demographic factors: This refers to the geographic locations in which the company is operating.
- b) Social factors: This includes the culture, subculture and social class factors.
- c) Political factors: The government policies procedures, rules, tax policies and imposing duties, legal and non legal factors, political stability.
- d) Economical factors: The amount of resources / raw materials available to the company and the pricing of these essential raw materials.
- e) Technological factors: The recent trends and practices in technology can increase productivity.
- 3. (a) Discuss the consumers buying roles, with examples?

7 Marks

The consumer buying roles are:

- Initiator
- Influencer
- Decider
- Buyer
- User
- (b) Explain Marketing Mix? Discuss different elements (or components) of marketing mix? 7 marks

Marketing Mix: Marketing mix is the sum total of all the goods from the point of production to the target market with the various elements that denote consumer's expectations needs and wants. Elements of marketing mix are as follows:

- 1. Product
- 2. Place
- 3. Promotion
- 4. Price
- 5. People
- 6. Physical evidence
- 7. Process
- 1. PRODUCT: Product is a tangible thing or a goods that consumer wills to buy and satisfy his/her needs. It is a physical goods / services which is consumed by the person according to the needs and wants.
- 2. PLACE: Place is the location or the area where in the marketing process takes place. Place denotes the target market also where in the main focus is the gather more attention of consumers. It is the area, where the exchange of goods and services take place.
- 3. PROMOTION: Promotion is the form of providing information about the product in the market either with the traditional ways or through the forms of advertisements, personal selling.....etc. It is usually said as the advertisement methods to provide information about the product.
- 4. PRICE: Price is the value of goods that the consumer intends to buy. It denotes the value or amount of the goods based on the quality and quantity of the products.

- 5. PEOPLE: People are the persons who are directly or indirectly involved in the marketing process, either it may be the consumers or the stakeholders the members of the firm who work for the betterment of the organization.
- 6. PHYSICAL EVIDENCE: Physical evidence is the tangibility of the goods and services, which the customers can evaluate that whether this particular goods or services will meet their expectations, needs and wants.
- 7. PROCESS: Process is the setup format for the marketing mix where in the firm communicate create, deliver value of the goods to the consumer through proper channels. Process is a long term setup, where in people from the firm are involved to meet the customer's expectations from point of production to the target market.
- 4. (a) Identify and explain the different factors that impact consumer behaviour. Which of these factors do you believe would have the greatest impact on how consumers behave?

  10 Marks

Consumer behaviour: Consumer behaviour is defined as the action exhibited an consumer during the buying activity. There are as number of steps involved in the buying behaviour of the customers

- 1. Pre purchase information search
- 2. What to buy?
- 3. How to buy?
- 4. Where to buy?
- 5. When to buy?

Factors affecting consumer behaviour:

There are number of factors affecting the consumer behaviour as follows

- 1. Cultural factors: The cultural factors are further classified as
- a) Culture: Culture refers on wider perspective such as the beliefs as a nation as who it varies across countries.
- b) Sub culture: With in a culture there are several subcultures. Ex: with in a country there are variations in the practices among the different states.
- c) Social class: This includes the religion, caste, sub-castes that affect the buying behaviour of the consumers.
- 2. Personal factors: Personal factors refer to individual or intra personal factors which are as follows.
- a) Perception: What an individual observes using his/her own knowledge which is right or wrong.
- b) Motivation: The urge or the need of an individual possesses.
- c) Belief: The value and practices in cultural in an individual.
- d) Attitude: The perspective with which the consumer has towards the product.
- 3. Social factors: The social factors include a range of other factors.
- a) Age/occupation: The group of people as population of a certain age, occupation or demographics.
- b) Roll and Status: Their roll and status in the society
- c) Economic Status: The income level of individuals/per capita income
- d) Personality: The personality they portray in the society
- 4. Political Factors: They involve
- a) Political Stability
- b) Legal Activities
- c) Illegal Activities
- 5. (a). what is the meaning of Consumer Behaviour

"CB behaviour refers to the actions and decision processes of people who purchase goods and services for personal consumption."- James F Engel, Roger D Blackwell and Paul Miniard.

"The mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants"- Bearden et al.

"The behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of, if products and services that they expect will satisfy their needs."- Leon G Schiffman and Leslie Lazar Kanuk

10 marks

Motives: Motives are the inner urge created in human being to buy the product. Types of buying motives:

- 1. Personal motives: Personal motives are as follows:
- a) Learning from new trends: Person here visit the place of shopping on a routine basis either to shop or just gain knowledge or to learn the new trends available in the market. He/she visit the shopping place on routine basis just to see the modern trends available,
- ex; Person visiting shopping mall to see the new realised fashion accessories.
- b) Sensation stimuli: Sensation stimuli are the internal stimuli in the person which attracts the person to buy in the shopping place. It can be scent of the product, the music/sound played in the shopping place or listening to the music.
- c) Diversion: Diversion of the person from one place to another to buy new product is also considered as personal motive to buy.
- d) Role playing: Shopping activities are learned behaviour and are accepted as part of one's position or role, such as mother or housewife. It is expected that a woman expecting her first child will shop extensively for baby clothes and other stuff meant for infants.
- 2. Social motives:
- a) Social experience: Outside the home shopping can provide opportunities for seeking new acquaintances, encounters with friends, are just "people watching"
- b) Status and authority: Shopping may provide an opportunity to attain a feeling of status and power by being waited on. For example it is a pleasure shopping at BIGJO'S in Delhi where the sales staff is extremely courteous and treats customers with a great deal of respect.
- c) Pleasure of bargaining: Shopping may offer the enjoyment of gaining a lower price through bargaining, companion shopping or visiting sales.

# Part - B- Answer any two (2\*7=14)

### 4 (a). Examine the role of SWOT analysis and explain SWOT Analysis with a diagram

#### **SWOT** analysis

A SWOT analysis is a simple but widely used tool that helps in understanding the strengths, weaknesses, opportunities and threats involved in a project or business activity.

It starts by defining the objective of the project or business activity and identifies the internal and external factors that are important to achieving that objective. strengths and weaknesses are usually internal to the organisation, while opportunities and threats are usually external. Often these are plotted on a simple 2x2 matrix.

#### **SWOT** analysis diagram

### Strengths

- What does your organization do better than others?
- What are your unique selling points?
- What do you competitors and customers in your market perceive as your strengths?
- What is your organizations competitive edge?

# **Opportunities**

- What political, economic, social-cultural, or technology (PEST) changes are taking place that could be favorable to you?
- Where are there currently gaps in the market or unfulfilled demand?
- What new innovation could your organization bring to the market?

# Weakness

- What do other organizations do better than you?
- What elements of your business add little or no value?
- What do competitors and customers in your market perceive as your weakness?

# Threats

- What political, economic, social-cultural, or technology (PEST) changes are taking place that could be unfavourable to you?
- What restraints to you face?
- What is your competition doing that could negatively impact you?