

MARKETING - I B.COM

UNIT I - PART A - 2 MARK QUESTIONS

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1. What is marketing?

Marketing are activities of a company associated with buying and selling a product or service. It includes advertising, selling and delivering products to people.

According to American Marketing association “Marketing is concerned with the people and the activities involved in the flow of goods and services from the producer to the consumer”.

2. What is a Market?

The term “Market” has been derived from the Latin word “Mercatus” which means “to trade”.

A Market is essentially **a place where goods and services are offered for sale.**

According to Clark and Clark “Market is a **centre** about which or an area in which the forces leading of title **to exchange to a particular product operate** and towards which the actual goods tend to travel”.

3. What is **Monopoly Market**?

Monopoly Market is a market **having just one seller.**

Example: In India, Railways are being managed by the Government.

There is no perfect or close substitute available to the product or service of a monopolist.

4. What is an **Oligopoly Market**?

Oligopoly Market is a market in which there **are a few sellers** who work according to a common understanding. Their price strategy is the same.

Example: The market for soft drinks.

5. What is **selling**?

Selling is the “process of transferring the ownership of goods from the seller to the buyer”.

6. What is **Commodity Market**?

A **commodity market** is a **market** that trades in primary economic sector rather than manufactured products. Soft **commodities** are agricultural products such as wheat, coffee, cocoa, fruit and sugar. Hard **commodities** are mined, such as gold and oil.

7. What is **Capital Market**?

Capital markets are the **markets** where securities such as shares and bonds are issued to raise **medium to long-term financing**, and where the securities are traded. The securities might be issued by a company which could issue shares or bonds to raise money. ... Short-term funds are raised in the money **markets**.

8. What is a Regulated market?

A market regulated by government appointed bodies often to control charges and ensure that fair services are offered to customers. For example, service provision such as gas, water, and electricity. Government has created some regulated markets for essential agricultural goods like paddy, sugarcane etc.

9. What is product approach of marketing?

This approach is centred on the product. A detailed study will be made on the nature of the product, the sources of supply, the pricing pattern, the kind of promotional tool used, packing, brand selection, the middlemen in the market and soon.

10. What is **Marketing Mix**?

The **marketing mix** refers to the set of actions, or tactics, that a company uses to promote its brand or product in the market. The 4Ps make up a typical **marketing mix** – Product, Price, Promotion and Place. However, nowadays, the **marketing mix** increasingly includes several other Ps like Packaging, Positioning etc.

11. What is Marketing Management?

The American Association of Marketing define marketing management as the process of planning and executing the conception, pricing,

promotion and distribution of ideas, goods and services in order to create, exchange and satisfy individual and organisational objectives.

12. What do you mean by Buying?

Buying generally means “procurement of goods and services”.

A **buying** process is the series of steps that a consumer will take to make a **purchasing** decision. A standard model of consumer purchase decision-making includes recognition of needs and wants, information search, evaluation of choices, purchase, and post-purchase evaluation.

13. What is assembling?

Assembling refers to the process of keeping the goods, purchased from different places, at a particular place. **Assembling** of goods is done only after they have been bought.

14. What do you mean by Transportation?

Transportation is indispensable function of **marketing**. **Transportation** provides the physical means of carrying goods and persons from one place to another. In other words, it is concerned with carrying the goods from the places of production to the places of their consumption.

15. What are the kinds of Transportation?

- (i) Land transport which is further sub-divided into Road Transport and Rail transport.
- (ii) Water Transport which is further sub-divided into Inland Water Transport and Ocean transport.
- (iii) Air Transport which is further sub-divided into National Air Transport and International Air transport.

16. What is Storage?

Storage is an important **marketing** function, which involves holding and preserving goods from the time they are produced until they are needed for consumption. The **storage** of goods, therefore, from the time of production to the time of consumption, ensures a continuous flow of goods in the market.

17. What do you mean by warehouse?

A **warehouse** is a commercial building for **storage** of goods. **Warehouses** are used by manufacturers, importers, exporters,

wholesalers, transport businesses, customs, etc. They are usually large plain buildings in industrial areas of cities, towns and villages.

18. What is warehousing?

Warehousing is the act of storing goods that will be sold or distributed later. While a small, home-based business might be **warehousing** products in a spare room, basement, or garage, larger businesses typically own or rent space in a building that is specifically designed for storage.

19. What is a **Bonded warehouse**?

Bonded warehouse is a secured building or area that is used to keep imported goods that are awaiting custom clearance. It is generally at a place near a port and is licensed to keep the imported goods until custom duty is paid and clearance is given to them. The bonded warehouses are now present in all developed countries and many developing countries.

20. What do you mean by Standardisation?

Standardisation is the process of creating, issuing and implementing standards.

Standard is a level of quality or attainment, something used as a measure, norm, or model in comparative evaluations. A Standard provides basis that enables the consumer to make a comparison between goods. Standardisation is relevant for consumer and industrial goods.

Example: the quality of gold is measured as 22 carats, 24 carats and so on. The quality of steel used to make cupboards is expressed as 19 gauge, 20 gauges etc.

21. What is grading?

Grading is the process of dividing the products into lots which are similar characteristics in shape and size, type, weight, quality and performance etc. Products of different qualities should be separated into groups or lots and similar quality products are put into a grade.

Grading is mainly done in case of agricultural goods. Food **grading** involves the inspection, assessment and sorting of various foods regarding quality, freshness, legal conformity and market value. Food **grading** often occurs by hand, in which foods are assessed and sorted. Machinery is also used to **grade** foods, and may involve sorting products by size, shape and quality.

22. What do you mean by **Brand**?

A **brand** is a name, term, sign, symbol, or design or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of the competitor.

23. What is Brand Identity?

Brand identity: The visible elements of a brand (such as colours, design, logotype, name, symbol) that together identify and distinguish the brand in the consumers' mind.

24. What is packaging?

Packaging is the activity of designing and producing the container or wrapper for the product.

Kotler defines **packaging** as "all the activities of designing and producing the container for a product." **Packaging** can be **defined** as the wrapping material around a consumer item that serves to contain, identify, describe, protect, display, promote, and otherwise make the product marketable and keep it clean.

25. What do you mean by ISO?

The International Organization for Standardization (**ISO**) is an international **standard**-setting body composed of representatives from various national **standards** organizations. Founded on 23 February 1947, the organization promotes worldwide proprietary, industrial and commercial **standards**.

26. What is AGMARK?

AGMARK is a certification mark employed on agricultural products in India, assuring that they conform to a set of standards approved by the Directorate of Marketing and Inspection, an agency of the Government of India.

27. What do you mean by ISI?

The name ISI is an abbreviation of **Indian Standards Institute**, the former name of the Bureau of **Indian Standards**.

INDIAN STANDARDS INSTITUTION came into being on January 6, 1947. Symbolic of the role, the Indian Standards Institution (I.S.I.) was to play the first standard drawn for independent India. In the Bureau of Indian Standards (BIS), the National Standards Body of India formulates standards through technical committees which have representatives from the manufacturers, technical experts and users.