

MARKETING - I B.COM

UNIT II - PART A - 2 MARK QUESTIONS

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1. What is Market Segmentation?

Market segmentation is the process of defining and subdividing a large homogenous market into clearly identifiable segments having similar needs, wants, or demand characteristics. Its objective is to design a marketing mix.

2. What do you mean by Buyer behaviour?

Buyer behaviour is the study of how an individual or a group of customers select and analyze a product or service. It attempts to understand the decision making process of a customer while selecting a product or service out of all the alternatives available in the market.

In other words, Buyer Behaviour is the manner in which the buyer will react to the marketer's strategy.

For example, if the marketer offers an off-season discount it must induce the buyers to buy.

3. What is a buying motive?

A **buying motive** is the reason why the customer purchases the goods. So, **motive** refers to thought, urge, feeling, emotion and drive which make the buyer to react in the form of a decision. Motivation explains the behaviour of why they are going to **buy** the goods.

4. What is a Product?

A **product** can be a service or an item. It can be physical or in virtual or cyber form. Every **product** is made at a cost and each is sold at a price. The price that can be charged depends on the market, the quality, the marketing and the segment that is targeted.

5. What is a **Product Item** ?

Product Item refers to a specific product, offered by a company, that satisfies a specific need of the buyer.

Example: Wrist watches of Titan.

6. What is a **Product Line** ?

Product Line refers to a group of products offered by a company that can be brought under a particular category.

Example: The bulbs, tube lights, ceiling fans etc., offered by Crompton **Company** can be brought under the category “**Electrical Items**”.

7. What is a **Product Policy**?

Product Policy is a “Policy made with respect to the development of a new product or for retaining an existing product in the market”

8. What is a **Product Mix**?

Product Mix is the total range of products offered by a company.

Product mix (also called product assortment) is the set of all product lines and items that a particular manufacturer plans to produce.

A manufacture's product mix will have a certain width, length, depth, and consistency. The width of product mix refers to how many different products lines the company carries. The length of product mix refers to the total number of items the company holds in its product mix. The depth of product mix refers to how many variants are offered of each product in the line. The consistency of the product mix refers to how closely the various product lines are related in end use, production requirements, distribution channels, or some other ways.

9. What do you mean by a **product Mix decision** ?

A **Product Mix decision** Product mix decision refers to the decisions regarding adding a new or eliminating any existing product from the product mix, adding a new product line, lengthening any existing line, or bringing new variants of a brand to expand the business and to increase the profitability. This standard attempts to provide a general guideline on these issues to companies involved with these types of decisions.

10. What is Trading-up?

Trading-up strategy refers to the decision of a business, which is marketing a low-priced product, to add a high-priced product to its list.

Example : Mangal &Mangal originally a vessels store, added Furniture, Electronic Items and Jewellery to its list of sale. This is called Trading up.

11. What is Trading Down ?

Trading Down Strategy is **the** decision of a business, which is selling mainly high priced products, to introduce low-priced products into the market.

Example : TATA group of companies has been basically engaged in production of Trucks, Buses and Cars. Now they have undertaken the production of low-priced goods like wrist-watches, iodised salt, tea and Coffee powder.

12. What is **Product Diversification**?

Product Diversification takes place when a business unit that is already marketing a product, undertakes the **marketing of an altogether different product**.

Example: TATA group of companies has been basically engaged in production of Trucks, Buses and Cars. Now they have undertaken the production/marketing of entirely different goods like wrist-watches, iodised salt, tea and Coffee powder.

13. What is Product Modification?

Product Modification refers to the improvement of the existing **products** by making necessary changes in the characteristics, nature, size, packing and colour, etc., of the **products** so that the changes in demand of consumers may be dealt effectively.

Example : Health drink “HORLICKS” has been modified into Mothers Horlicks, Junior Horlicks etc.,

14. What is Product Elimination?

Product Elimination. the decision to drop a **product** (for example, in the decline stage of its life cycle) in order to use the costs associated with it to enhance profits or to release resources that could be more effectively used in other ways.

15. What do you mean by Brand Name?

Brand name is the name given to a particular product by the company that makes it.

The American Marketing Association defines “Brand Name” as “a part of brand consisting of a word, letter, group of words or letters comprising a name which is intended to identify the goods or services of a seller or a group of sellers and to differentiate them from those of competitors”. Example : ‘Liril’ soap, ‘Hamam’ soap, ‘Parachute’ coconut oil etc.,

16. What is a Brand Mark ?

A Brand Mark is that part of a brand, which appears in the form of a symbol or design and is recognised only by sight. It is not pronounced like a brand name.

Example : “Maharaja” symbol of Air India, Logos of different banks etc.

17. What is a Trade Name ?

The Trade Name is the **name of the business itself**.

Example : “Hindustan Lever”, “Godrej” etc.

In certain cases Brand Name and the Trade Name may be one and the same.

Example : “Godrej” is the Trade Name and also a brand name for most of the company’s products i.e. Godrej locks, Godrej Refrigerators and so on.

18. What is a Trade Mark ?

A registered and legalised brand name or brand mark is known as Trade Mark.

A **Trademark** generally refers to a “brand” or “logo”. **Trademark** registration can also be obtained for a business name, distinctive catch phrases, taglines or captions. Properly used and promoted, a **Trademark** may become the most valuable asset of a business. Trademarks such as Coca Cola, HP, Canon, Nike and Adidas.

19. What do you mean by **Brand Loyalty**?

Brand Loyalty is the **degree of preference** shown by a buyer for a **particular brand or product**.

A buyer with high level of brand loyalty for a product will repeatedly buy it. Otherwise, Brand Loyalty is the **extent of the faithfulness of consumers to a particular brand**, expressed through their repeat purchases, irrespective of the marketing pressure generated by the competing brands.

20. What is Brand Equity?

Brand equity is a phrase used in the marketing industry which describes the value of having a well-known brand name, based on the idea that the owner of a well-known brand name can generate more revenue simply from brand recognition; that is from products with that brand name than from products with a less well known name, as consumers believe that a product with a well-known name is better than products with less well-known names.

21. Define a Package, Packing and Packaging?

A “Package” is a container in which things are packed.

“Packing” is the process of covering or wrapping goods into a package.

“Packaging” is the process of designing or producing the container for packing the goods.

22. What is a label ?

A **label** is a piece of paper, plastic film, cloth, metal, or other material affixed to a container or product, on which is written or printed information or symbols about the product or item. Information printed directly on a container or article can also be considered labelling.

23. What do you mean by labelling ?

Labelling is the display of information about a product on its container, packaging, or the product itself. For several types of consumer and industrial products, the type and extent of information that must be imparted by a **label** is governed by the relevant safety and shipping laws.

24. Who are Laggards in marketing ?

Laggards in marketing comprise a group of consumers who avoid change and may not be willing to adopt a new product until all traditional alternatives are no longer available. The group is mostly concerned with reliability and low cost.

25. What is “Caveat Emptor” ?

Caveat emptor - the principle that the buyer alone is responsible for checking the quality and suitability of goods before a purchase is made.