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WEBINAR SERIES

MARKETING MANAGEMENT

Initiative by

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TEACHERS'
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WEBINAR SERIES

MARKETING MANAGEMENT

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TOPICS COVERED IN THE SESSION

1. MARKETING CONCEPTS, FUNCTIONS AND PHILOSOPHIES.
2. MARKETING MIX - CONCEPTS & ELEMENTS.
3. PRODUCT MIX
4. PRICE MIX
5. PLACE MIX
6. PROMOTION MIX
7. TOPICS DELETED

Efforts By:-

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WHAT IS MARKET

A market consists of all the potential customers who have the ability and willingness to buy a product or service to satisfy their needs and wants.

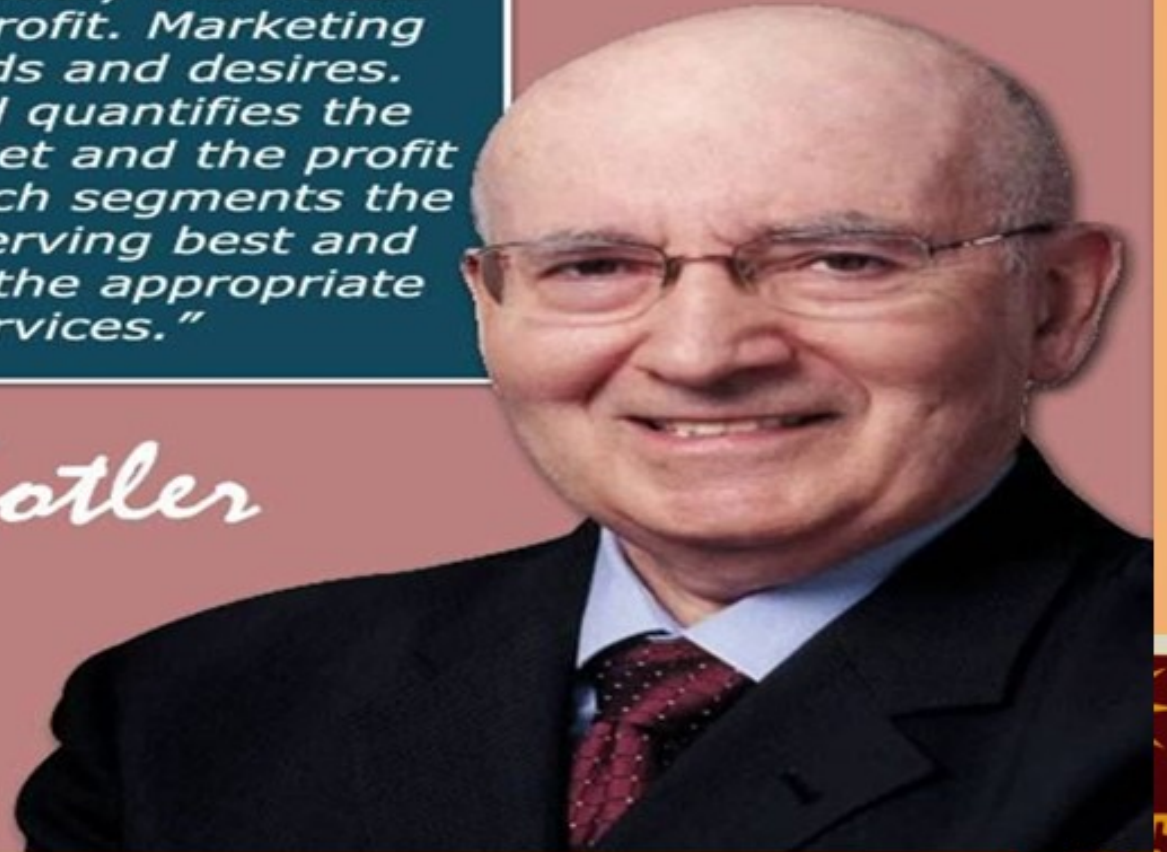
According to Philip Kotler, 'A market is a set of actual or potential buyers who might transact with a seller'. This market can be a physical or a virtual space.



WHAT IS MARKETING?

"The science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services."

Philip Kotler



Features of marketing

Needs and wants

- Needs – Basic human requirements like food, shelter, clothing
- Wants – demand of specific products
- Needs give rise to wants

Creating a market offering

- Developed after analysis of needs and preferences of potential customers

Customer value

- At a profit. Customers are made to prefer the products in relation to the competing products

Exchange mechanism

- Essence of marketing
- Exchange of goods & services for money or something value to them
- Conditions for exchange
 - Two parties | each to have something of value to be exchanged | ability to communicate and deliver the product or services | freedom to accept or reject

**What Can
Be
Marketed
??**



- Goods
- Services
- Experiences
- Person
- Place
- Properties
- Organization
- Information
- Events
- Idea and Innovation

Marketing Management Philosophies

Production Concept

Product Concept

Selling Concept

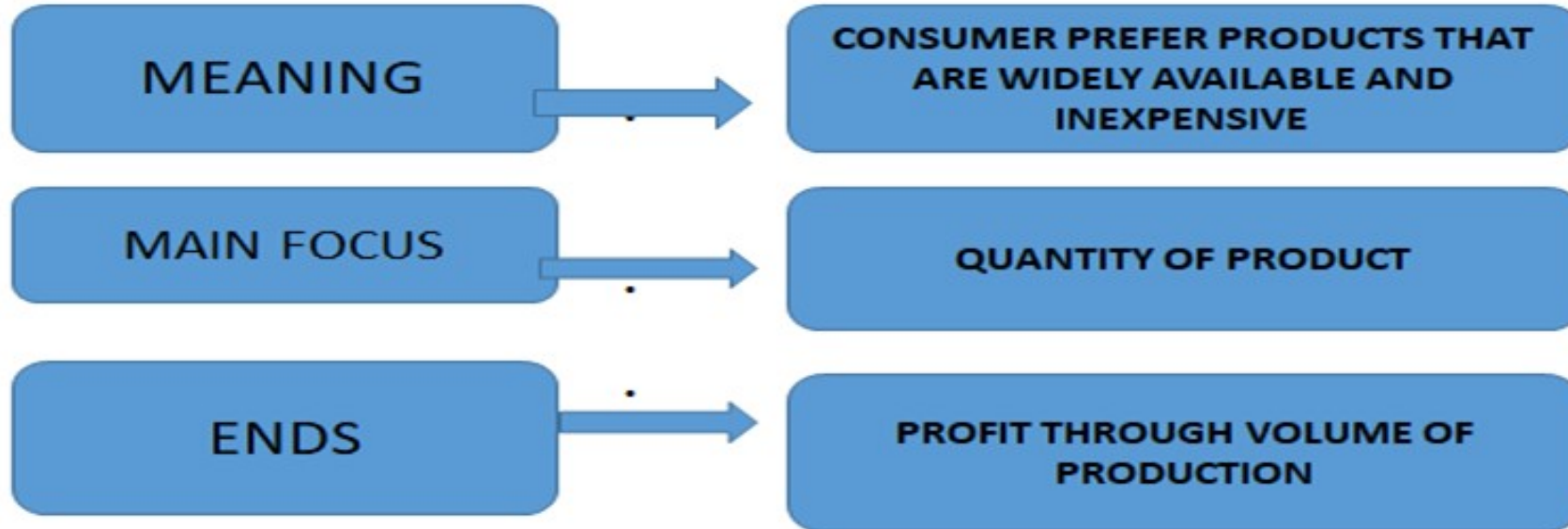
Marketing Concept

Societal Marketing Concept



THE PRODUCTION CONCEPT

MORE PRODUCT QUANTITY
=
MORE CUSTOMERS



PRODUCT CONCEPT



MEANING



**CONSUMER PREFER PRODUCTS THAT
ARE OFFER THE MOST QUALITY
,PERFORMANCE OR INNOVATIVE
FEATURES**

MAIN FOCUS



**QUALITY ,PERFORMANCE,FEATURES OF
PRODUCT**

ENDS



PROFIT THROUGH PRODUCT QUALITY

SELLING CONCEPT



MEANING



CONSUMER AND BUSINESSES IF LEFT ALONE ,WILL ORINARILY NOT BUY ENOUGH OF THE ORGANISATION'S PRODUCTS.THE ORGANISATION UNDERTAKE AN AGRESSIVE SELLING AND PROMOTION EVENT.

MAIN FOCUS



EXISTING PRODUCT

ENDS



PROFIT THROUGH SALES VOLUME



MARKETING CONCEPT



MEANING



MARKETER SHOULD IDENTIFY AND FULFILL THE PRESENT AND FUTURE NEEDS OF THE PROSPECTIVE CUSTOMERS

MAIN FOCUS



CUSTOMER NEEDS

ENDS



PROFIT THROUGH CUSTOMER SATISFACTION

SOCIETAL CONCEPT



MEANING

MARKETERS SHOULD CONSIDER THE INTEREST OF THE SOCIETY ALSO, IN THE PROCESS OF FULFILLING THE NEEDS OF ITS TARGET CUSTOMERS

MAIN FOCUS

CUSTOMER NEEDS AND SOCIETY WELFARE

ENDS

PROFIT THROUGH CUSTOMER SATISFACTION AND SOCIETY WELFARE

BRAIN TEASER

QUES:Quality and performance of the product is the main focus of which marketing management philosophies.

I. Selling Concept

II. Marketing Concept

III. Production Concept

IV. Product Concept

ANSWER : IV PRODUCT CONCEPT

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BRAIN TEASER

‘Beauty Products Ltd.’ is a natural and ethical beauty brand famous for offering beauty products for men and women . The company uses plant waste materials for its product and is a number one beauty brand in the country. It not only satisfies its customers but also believes in overall protection of the planet.

Identify and explain the marketing philosophy being followed by ‘Beauty Product Ltd’.

DELHI

2015 (3 MARKS)

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ANSWER

SOCIETAL CONCEPT

IDENTIFICATION+2.5 EXPLANATION

1/2

MARKETERS SHOULD CONSIDER THE INTEREST OF THE SOCIETY ALSO, IN THE PROCESS OF FULFILLING THE NEEDS OF ITS TARGET CUSTOMERS

PROFIT THROUGH CUSTOMER SATISFACTION AND SOCIETY WELFARE



Mnemonic: To learn the functions of marketing

**General Manager Puran Singh
Was Tested Covid Positive 3 Times**

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1.GATHERING AND ANALYSING MARKET INFORMATION

- Primary function to identify the needs of the customers
- Most important to take decisions for the successful marketing of goods and services
- Analyse opportunities and threats as well as strengths and weakness of the organisation
- With technological explosion, it has become easier to collect necessary information through interactive portals



2. MARKET PLANNING



- Develop appropriate marketing plans covering various important aspects to achieve organisational objective
- Also to include level of production, promotion of products, specifying action programmes



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3.PRODUCT DESIGNING AND DEVELOPMENT

- A good design makes the product attractive to the consumer
- It also improves performance of the product and gives a competitive edge in the market
- Hence decision regarding the design and development of the product is very crucial for a marketing manager



4. STANDARDISATION AND GRADING

- **Standardisation** refers to producing goods as per pre-determined specifications.
- Helps in achieving uniformity and consistency in the output.
- Reduces the need for inspection, testing and evaluation from the consumer's perspective
- **Grading** is the process of classification of products into different groups
- This is done where products are not produced as per pre-determined specifications eg; agricultural products
- It helps in realising higher price for higher quality products



5.PACKAGING & LABELLING

Packaging



- Both are considered as pillars of modern day marketing tools
- **Packaging** wraps the product and **labelling** forms the information printed on the package.
- Packaging not only protects the product but also used as a promotional tool
- Quality of the product is also assessed by looking at the package and label

6. BRANDING



- Important decision area for marketing – to sell in the generic name (fan pen etc.) or specific brand name (usha, reynolds)
- Helps in creating product differentiation
- **Branding strategy** – each product a separate brand name (Lux, Surf etc.,) or same brand name for all products of a company (philips, samsung etc.,)

7.CUSTOMER SUPPORT SERVICES



- Includes after sales services, handling customer complaints, procuring credit services, maintenance services, technical services & consumer information
- Aim at providing maximum customer satisfaction the key to marketing successes
- Effective in bringing repeated sales and developing brand loyalty



8.PRICING



- Amount of money a customer has to pay to obtain the product or service
- Most important factor deciding the success or failure
- Demand is directly related to the price of the product
- Important decisions marketer has to take are:- pricing objective, pricing strategy, determining and changing the price

9.PROMOTION



- Providing information to the customers regarding the product and its features; persuading them to buy the product
- Four important tools – personal selling, advertising, publicity and sales promotion
- Marketer has to decide on the combination of the promotional tools and budget thereon.

10. PHYSICAL DISTRIBUTION

- Two major areas – choice of marketing intermediaries and selection of physical movement of the product
- Marketer has to decide on – inventory levels, storage and warehousing & transportation of goods from the place of production to the end user



11. TRANSPORTATION



- End users of products are wide spread and geographically separated
- Various factors to be considered before deciding the mode of transportation:- nature of the product, cost and location of target market

12. STORAGE/WAREHOUSING

- There is a time gap between production and procurement of goods due to irregular demand or supply
- To maintain smooth flow & supply of the products and also to protect against contingencies proper storage is needed
- Storage is performed by different intermediaries



Mnemonic: To learn the functions of marketing

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BRAIN TEASER

MCQ 1 MARK

Q. Marketing functions do not include:

- I. After sales service
- II. Selling
- III. Negotiating with government officials
- IV. Recruiting sales team

ANSWER : IV



BRAIN TEASER

QUE: The act of designing and producing the container or wrapper of a product is called _____.

ANSWER :
Packaging



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BRAIN TEASER

Tomato Ltd. , a food delivery service app has recently faced criticism for the tampering of their product by the delivery boys. Tomato Ltd. decided to put a hologram on the food packets in order to protect the contents from spoilage , leakage, pilferage, along with a tag with a safety warning for the consumers to check the seal.

Which concept of marketing discussed above is performing the important function of communicating with the potential buyer and promoting the sale.

a) Branding

b) labelling

c) packaging

d) Product designing & development

ANSWER: (b) LABELLING



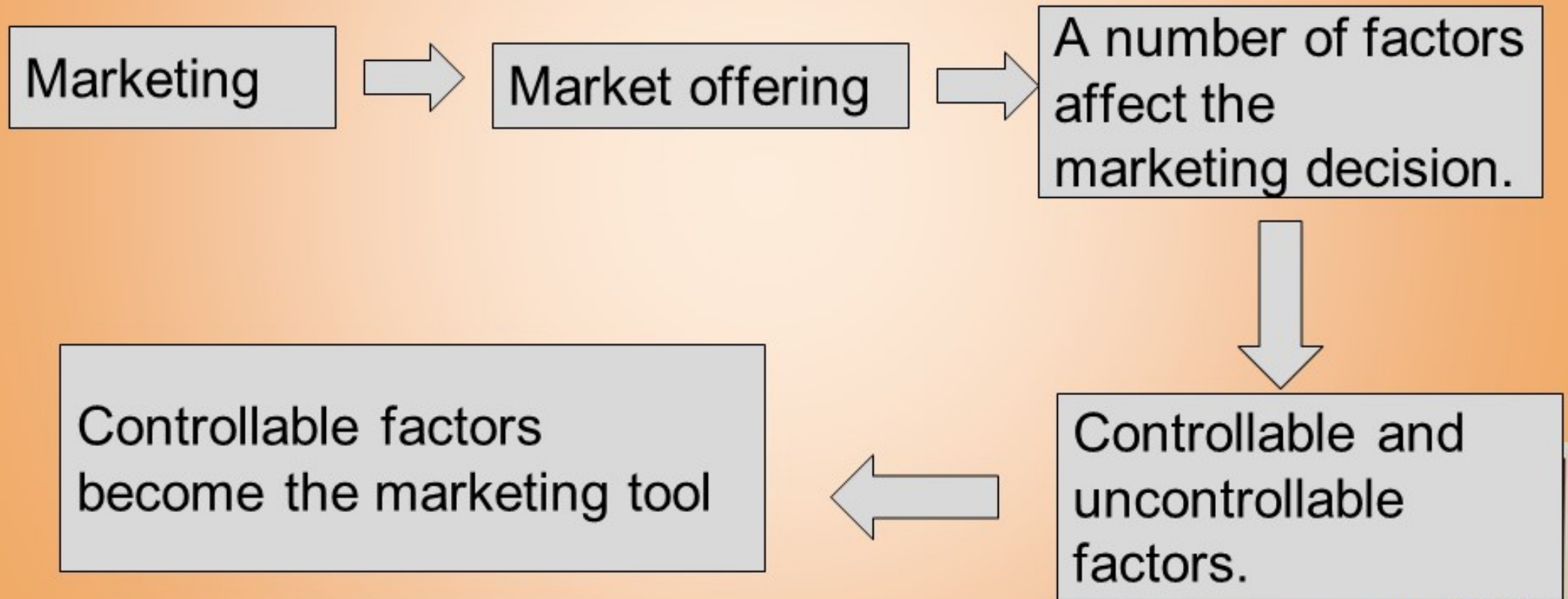
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MARKETING MIX

Marketing mix can be defined as a set of marketing tools that a firm uses to pursue its marketing objective(s) in a target market.



Marketing Mix evolves from the marketing tools



PRODUCT AND ITS SUB-ELEMENTS

Product- It is anything that can be offered to a market for a price and has certain tangible and intangible attributes.



Product Mix
Product Quality
Branding
Labelling
Packaging

Product design and development



The Product saga continues.....



A product can be a tangible item like a fridge, a shirt, a chair etc, with some intangible attributes.

But a product can also be an intangible act that benefits us, that is a service.

Like services of a Lawyer, a consultant , a psychiatrist, a banker, a doctor etc

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A customer derives this when she buys a product- **BENEFITS**

Functional

The basic or core use of the product.



Psychological

The need for prestige and esteem



Social

The desire to be accepted as a part of a social group.



The three essentials that make a complete market offering

1. Branding
2. Packaging
3. Labelling

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BRANDING

Branding is defined as the process of assigning a name to a product and popularising it.

Generic Name

Vs

Brand Name



Generic Vs Brand



Various terms related to Branding

1. Brand

A brand is a **name, term, sign, symbol, design or a combination of these**, which is used to identify the products— goods or services of one seller and differentiate them from those of the competitors.

A brand has two components- Brand name and brand mark



BRAND NAME and BRAND MARK

It is that component
of a brand that can be
spoken-

For example

PEPSI

Brand Mark



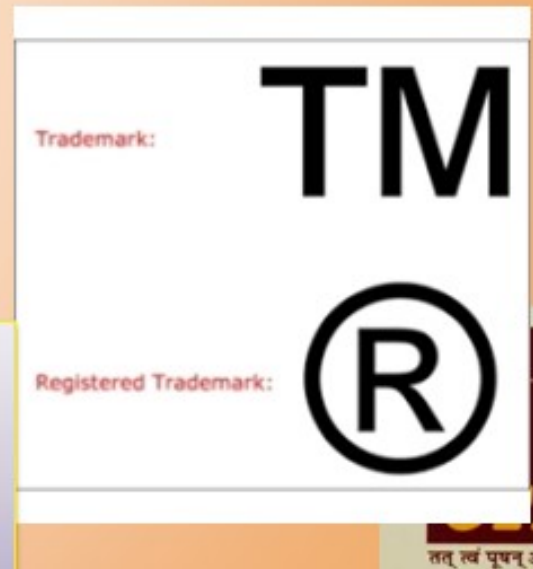
Trade Mark

A brand or part of a brand that is given legal protection is called trademark.

In India, trademarks are administered by the Trade Marks Act, 1999.

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SOME RENOWNED INDIAN BRANDS



PETER ENGLAND

TANISHQ



हर brand कुछ कहता है.....

amazon

The Amazon logo consists of the word "amazon" in a bold, black, lowercase sans-serif font. Below the text is a curved orange arrow that starts under the letter 'a' and ends under the letter 'n', pointing to the right.

A brand that is worth 150 Billion USD



Advantages of Branding

1. Helps in product differentiation
2. Helps in advertising and display.
3. Differential pricing.
4. Ease in Introducing new product.
5. Ensures quality
6. Status symbol



BRANDING

is the way that your customer perceives you

CIP

सत् स्वं पृथक् अपावृणु

Characteristics of a good brand

- A brand name should be short, easy to pronounce and remember like Lux, Maggi etc.
- A brand should suggest the product's benefits and qualities. For ex Clean and Clear, Soft and silky
- Chosen name should have staying power .
Allahabad bank 1865
- The brand name should be sufficiently versatile .
Tata motors, Tata Tea, Tata Steel



Packaging



Packaging

Packaging refers to the act of designing and producing suitable containers, boxes, cases or wrappers for a product.



Three levels of packaging

PRIMARY

SECONDARY

TRANSPORTATION



alamy stock photo

alamy.com

Importance of packaging

1. Rising Standards of Health and Sanitation.



Importance of packaging

2 Self Service Outlets



Importance of packaging

3. Innovational Opportunity



Importance of packaging

4. Product Differentiation



Fit Tuber



CTF

सत् त्वं पूषन् अपावृणु

Functions of Packaging

1. Product Identification



Functions of Packaging

2. Product Protection.



Functions of Packaging

- Product Promotion



Functions of Packaging

4. Facilitating the use of a Product



Labelling

Low Fat Breakfast Cereals
Mango, Walnut and Royal Jelly

Low fat breakfast cereals contain mango pieces, walnuts and royal jelly.

3 Nutrition Information
Serving size: 30g (1 oz) or refer units as appropriate

	30g per Serving	100g (or 3.5 oz)
Energy	1215kJ	3495kJ
Protein	3g	9g
Total fat	0g	0g
Saturated fat	0g	0g
Carbohydrate	3g	9g
Sugar	0g	0g
Salt	0g (0.000g)	0g (0.000g)

Small text: Small text any other nutrient or biologically active substance to be declared. 0 mg, 0g or other units, as appropriate.

4 INGREDIENTS: Whole grain wheat, corn, rolled oats, palm oil, aspartame, mango pieces, mango, mango pieces, sunflower oil, ground, sunflower, natural mango, RoyalG royal jelly, walnuts, minerals (Calcium carbonate, iron sulphate), vitamins (Thiamin, C, Vitamin B6, Folic acid, Vitamin B12) and others.

7 PHENYLETANOLAMINE: CONTAINS PHENYLETANOLAMINE.

8 WARNING - THIS PRODUCT MAY NOT BE SUITABLE FOR ASTHMATIC ALLERGY SUFFERERS.

11 USE BY: 07/12/2016. **12 Low Fat**

NET WEIGHT 500g

Levi's

MEN'S JEANS

Each delayed-release tablet contains:
Diclofenac Sodium USP 25 mg

Diclofenac Sodium
Delayed Release Tablets USP

25 mg

PHARMACIST PLEASE DISPENSE WITH MEDICATION GUIDE

Rx Only
Carlsbad Technology, Inc.

60 Tablets

Rev. 10/15

NDC 61442-101-60

Dispense in a light, light-resistant container as defined in the USP.

Store at 20° to 25°C (68° to 77°F).
See USP Controlled Room Temperature. Protect from moisture.

Keep this and all medication out of the reach of children.

Manufactured and Distributed by:
Carlsbad Technology, Inc., Carlsbad, CA 92008 USA

LOT: 1101600
EXP: 14422

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Labelling

Labelling is the process of putting labels on the product.

A label provides detailed information about the product to the buyer/ user.

A label can be a simple tag or elaborate part of the package,



Simple Vs elaborate label



The various functions performed by a label -

1. Describe the Product and specify its contents



2. Identification of the Product or brand



3. Grading of Products:



4. Helps in Promotion of Products:

ASI#95385 2014 Catalog Sheet

Custom Label Bottled Water 

We Put Your Message in People's Hands

Ask us about Assorted Monthly Discount Specials on Freight, Set-up Fees, 1,200+ and 2,400+ bottle orders.



Perfect Start Selling The Best Customer Service

Bottles/Pallet	Ships From	Price/Bottle [R]		Bottle Quantities :					
		24	360	720	1,200	2,400	4,800	9,600	15,000 +
2,880	CA, FL, GA, KS, NM, MD, PA	8 oz	1.13	1.07	0.95	0.80	0.75	0.70	0.60
2,880	KS (IL, TX, GA, MN in truckload qty.)	10 oz	1.15	1.08	0.97	0.82	0.77	0.72	0.62
2,304	CA, FL, GA, KS, NM, MD, PA	12 oz	1.17	1.10	0.98	0.83	0.78	0.73	0.63
1,728	CA, FL, GA, KS, NM, MD, PA	16.9 oz	1.18	1.12	1.00	0.85	0.80	0.75	0.65
1,440	CA, FL, GA, KS, NM, MD, PA	20 oz*	1.25	1.18	1.07	0.92	0.87	0.82	0.72
1,728	CA, GA, KS	16.9 oz (1)	1.32	1.25	1.13	0.98	0.93	0.88	0.78
1,728	CA, MD	16.9 oz (2)	1.60	1.53	1.42	1.27	1.22	1.17	1.07

(1) Short Cylinder/Bullet and (2) Tall Cylinder/Bullet. *Sport-Caps, an additional \$4 (w)/bottle.

- FAST TURNAROUND TIME !!**
5-7 Days from art approval!
Rush Orders Available
- One time art setup fee**
1-3 color labels = \$85 (v)
4+ / Full color labels = \$123 (v)
High Quality, digitally printed labels
- Purified or Natural Spring Water and Enhanced Water** from Select locations-
The Healthy Choice. We offer Eco-friendly, Biodegradable and Made from recycled plastic bottles (rPET). **ASK US.**

WE SPECIALIZE IN FAST TURNING
RECYCLED BOTTLES - CALL US



5. Providing Information Required by Law:



Labeling in India

INTRODUCTION

- All labels of a drug should conform as per the specifications under the Drugs and Cosmetics Rules 1945.
- That no person sell or distribute any drug unless it is labelled in accordance with the Rules (Rule 95 of D&C Act).

BRAIN TEASER

Que : This component of Product mix gives a distinct identity to a product. Identify it.

Ans: **Branding**



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BRAIN TEASER

Que: Corrugated boxes are a part of

- a. Primary package
- b. Secondary package
- c. Transportation package
- d. labels



Answer

C. Transportation package

BRAIN TEASER

Que: As a creative head of an advertising agency, you have to tell an important client of yours that why “soft and smooth” is an unsuitable name for a brand of cement?

Ans: Because a brand name must suggest the benefits and quality of a product, so it is totally inappropriate.



PRICING

Price is the amount of money paid by a buyer in consideration of the purchase of a product or a service.



It is the single most important factor affecting the revenue and profits of the firm.



shutterstock

IMAGE ID: 31607167
www.shutterstock.com

CTF

सत् त्वं पूषन् अपावृणु



PUPG-MED



FACTORS AFFECTING PRICE DETERMINATION

P-Product cost

U-The utility and demand

P-Pricing objectives

G-Government and legal regulations

M-Marketing methods used

E-Extent of competition in the
market

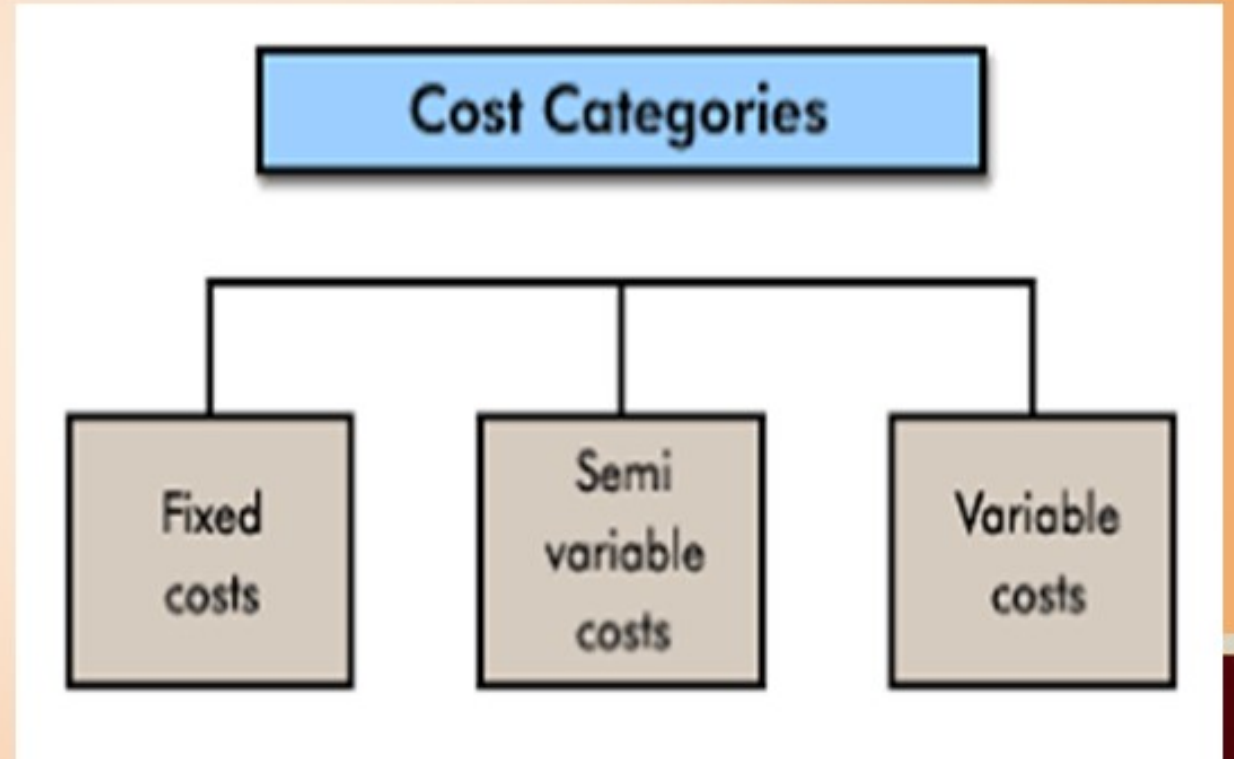


Product cost

**COST SETS THE
MINIMUM LEVEL OF
PRICE AT WHICH
PRODUCTS CAN BE SOLD**

Important

**IN THE LONG RUN -
FIRM MUST SET A
PRICE THAT NOT
ONLY COVERS THE
TOTAL COST BUT
HELPS TO EARN
PROFIT AS WELL**



THE UTILITY AND DEMAND

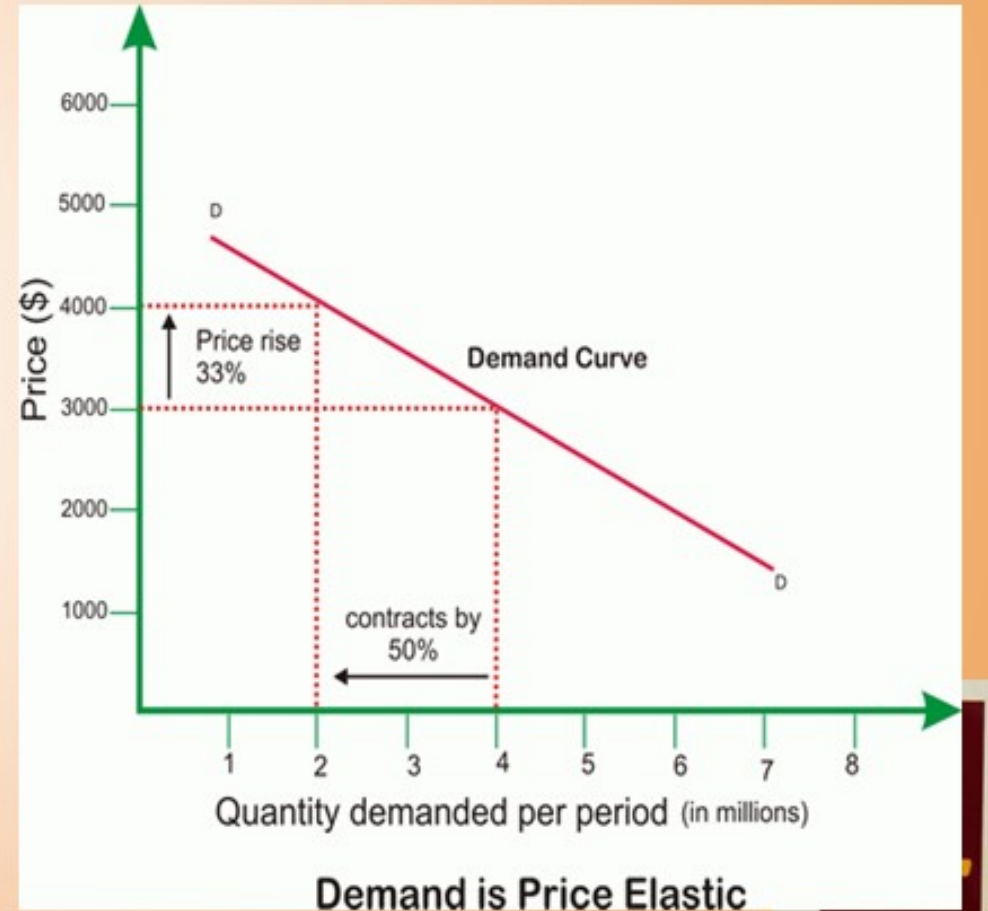
UTILITY OF THE PRODUCT AND INTENSITY OF DEMAND SETS UPPER LIMIT OF PRICE WHICH A BUYER WOULD BE PREPARED TO PAY.



HIGH PRICES CAN BE SET IF

A) UTILITY PROVIDED BY PRODUCT IS HIGH

B) PRODUCT HAS INELASTIC DEMAND



EXTENT OF COMPETITION IN THE MARKET

**FREE COMPETITION -
PRICES ARE SET AT
LOWER LEVELS**

**MONOPOLY - PRICES
ARE SET AT HIGHER
LEVELS**

Factors that Affect Price

→ Competition

- A rivalry between two or more businesses for scarce consumer dollars.



GOVERNMENT AND LEGAL REGULATIONS

TO PROTECT THE INTEREST
OF PUBLIC AGAINST UNFAIR
TRADE PRACTICES
,GOVERNMENT REGULATES
THE PRICES OF ESSENTIAL
COMMODITIES



PRICING OBJECTIVES

TO MAXIMISE PROFITS :

- IN THE LONG RUN THEN FIRMS MAY SET PRICES AT LOWER PRICE PER UNIT.

- IN THE SHORT RUN THEN FIRMS MAY SET PRICES AT HIGHER LEVELS

OBTAINING MARKET SHARE LEADERSHIP - THEN FIRM WILL FIX PRICES AT LOWER LEVELS

SURVIVING IN A COMPETITIVE MARKET :
IN CASE OF INTENSE COMPETITION - FIRM WILL FIX PRICES AT LOWER LEVELS

ATTAINING PRODUCT QUALITY LEADERSHIP: HIGH PRICES ARE CHARGED TO RECOVER RESEARCH AND DEVELOPMENT COST

MARKETING METHOD USED

PRICE FIXATION IS AFFECTED BY:

- 1. Distribution system**
- 2. Quality of salesmen employed**
- 3. Credit facility etc**

Example ::

If a company provides free home delivery or credit facility then it has flexibility of fixing prices



BRAIN TEASER

QUESTION - MCQ

“APPLE SETS HIGHER PRICES FOR ITS PRODUCTS TO RECOVER HIGH QUALITY AND HIGH COST OF RESEARCH AND DEVELOPMENT”. IDENTIFY THE RELEVANT FACTOR AFFECTING PRICES.

A) PRODUCT COST

B) EXTENT OF COMPETITION

C) PRICING OBJECTIVES -attaining product quality leadership

D) NONE

ANSWER :C



F

BRAIN TEASER

After acquiring the necessary knowledge and skills on starting an Alovera firm, Ashoka wanted to manufacturer Alovera products . He observed that the products of the competitors were expensive as the demand of the products was more than the supply. He also keen to promote the methods and practices that were economically viable, environmentally sound and at the same time protecting public health. **Ashok's main consideration was about the amount of money paid by the consumers in consideration of the purchase of Alovera products. He also thought that competitors prices and their anticipated reactions must also be considered for this.** After gathering and analysing information and doing correct marketing planning,he came to know that the consumers compare the value of a product to the value of money which they are required to pay. **The consumers will be ready to buy a product when they perceive that the value of the product is at least equal to the value of the money which they would pay. Since he was entering into a new market he felt that he may not be able to cover all cost. He knew that in the long run the business will not be able to survive unless all costs is covered in addition to minimum profit. Considering the competition ,he decided to add some unique features to the packaging and also decided to provide free home delivery of the products.**

A] Identify the concept.

B] Explain briefly any four factors discussed in the above case related to the concept so identified.

(CBSE, Delhi 2018)



ANSWERS

A] The concept being described in the above study is **Pricing /Price mix.**

B] The four factors affecting price determination discussed in the above case study are :

- I] Extent of competition in the market
- II] The utility and Demand
- III] Product cost
- IV] Marketing methods used



**TO EXPLAIN ALL FOUR
POINTS**



PHYSICAL DISTRIBUTION

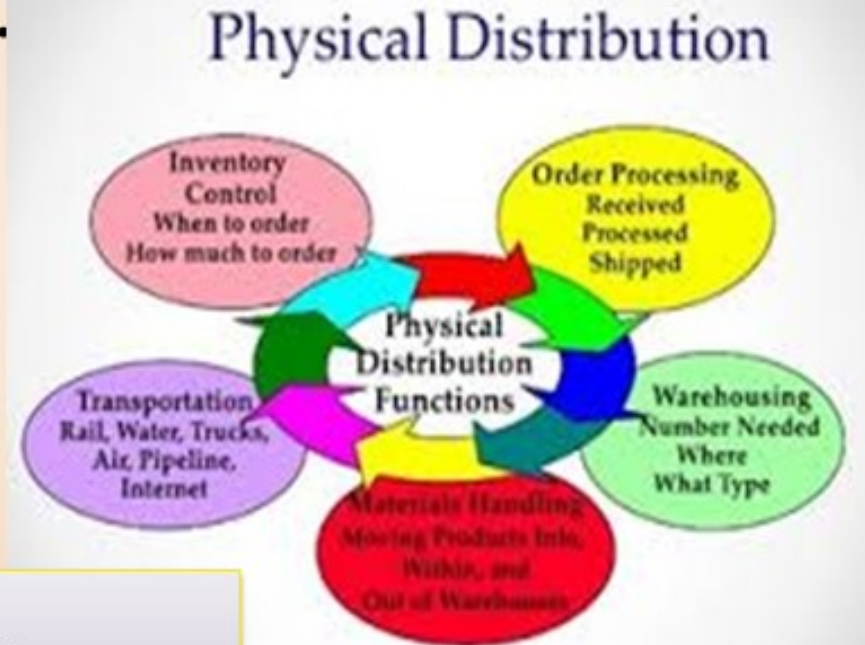
Place- This element of refers to all those activities as a result of which a product reaches from the place of production to place of consumption.

Two Important decisions:

- A) Physical movement of goods from producers to consumers
- B) Channels of distribution

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Channels of distribution



DIRECT CHANNEL OF DISTRIBUTION-ZERO LEVEL CHANNEL

PRODUCERS TO CONSUMERS

Bata
where life meets style

EUREKA FORBES
Your friend for life



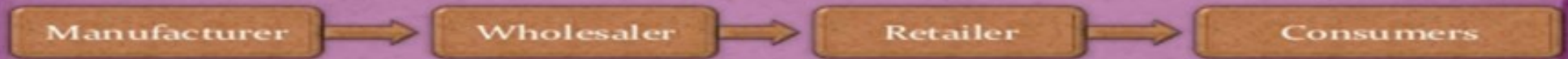
INDIRECT CHANNELS OF DISTRIBUTION-ONE LEVEL CHANNEL

PRODUCERS - RETAILERS - CONSUMERS



MANUFACTURER- WHOLESALER- RETAILER- CONSUMER- TWO LEVEL CHANNEL

Two - level channel of distribution



Suitability :

- ❖ When the retail outlets are more and widely spreaded .
- ❖ When the financial resources of the manufacturer are limited.
- ❖ When the product are durable .

Example :

Food grains , spices, utensils

MANUFACTURE AGENT WHOLESALER RETAILER CONSUMER- THREE LEVEL CHANNEL

Third Level Channel:

(Producer...Agent...Wholesalers....Retailers....Consumers)

- This is the longest channel of distribution of consumers goods. In this channel three middlemen are used to supply goods to the final consumers. In other words, the producers sell their products to final consumers through agents, then agents sell them to wholesalers and wholesalers sell them to retailers and finally the retailers sell the goods to consumers.
- This channel is useful to those producers who cannot contact many wholesalers, cannot pay attention to international markets and want to avoid several distribution problems.

PHYSICAL DISTRIBUTION MEANS PHYSICAL HANDLING AND MOVEMENT OF GOODS FROM PLACE OF PRODUCTION TO PLACE OF CONSUMPTION

COMPONENTS OF PHYSICAL DISTRIBUTION ARE: **WITO**

W-WAREHOUSING

I-INVENTORY CONTROL

T-TRANSPORTATION

O-ORDER PROCESSING



WAREHOUSING

MEANS- ACT OF STORING AND ASSORTING PRODUCTS TO CREATE TIME UTILITY



LARGER THE NUMBER OF WAREHOUSES ,LESSER WILL BE THE TIME TAKEN TO DELIVER GOODS TO CUSTOMERS AT DIFFERENT LOCATIONS BUT HIGHER WOULD BE THE COST OF WAREHOUSING

FIRMS MUST STRIKE BALANCE BETWEEN COST OF WAREHOUSING AND LEVEL OF CUSTOMER SERVICE



INVENTORY CONTROL

MEANS- DECIDING THE LEVEL OF INVENTORY



HIGHER THE INVENTORY LEVEL ,HIGHER WILL BE CUSTOMER SERVICE BUT THE COST OF INVENTORY WILL ALSO BE HIGHER

FIRM NEEDS TO STRIKE BALANCE BETWEEN COST OF CARRYING INVENTORY AND CUSTOMER SERVICE

TRANSPORTATION

MEANS - MOVEMENT OF GOODS FROM PLACE OF PRODUCTION TO PLACE OF SALE



UNLESS GOODS ARE PHYSICALLY AVAILABLE, SALE CANNOT BE COMPLETED

ORDER PROCESSING

MEANS- A GOOD PHYSICAL DISTRIBUTION SYSTEM SHOULD HELP IN ACCURATE AND SPEEDY PROCESSING OF ORDERS



IF ORDER PROCESSING IS DELAYED, GOODS WOULD REACH CUSTOMERS LATE IT WILL LEAD TO CUSTOMER DISSATISFACTION

BRAIN TEASER

QUESTION-MCQ

IMPORTANT ACTIVITIES INVOLVED IN THE PHYSICAL DISTRIBUTION IS

A| TRANSPORTATION

B| WAREHOUSING

C|INVENTORY CONTROL AND ORDER PROCESSING

D| ALL THE ABOVE ACTIVITIES

ANSWER :

D



BRAIN TEASER

QUESTION

“IT IS NECESSARY THAT GOODS AND SERVICES MUST BE MADE AVAILABLE TO THE CUSTOMERS AT THE RIGHT PLACE, IN THE RIGHT QUANTITY AND AT RIGHT TIME”.

A] NAME AND EXPLAIN THE CONCERNED ELEMENT OF MARKETING MIX GIVEN ABOVE.

B] LIST THE TWO IMPORTANT DECISIONS RELATED TO THE ELEMENT OF MARKETING MIX IDENTIFIED ABOVE.

C] NAME THE COMPONENTS OF THE ELEMENT OF THE MARKETING MIX IDENTIFIED ABOVE WHICH CREATE [a] time utility [b] place utility



ANSWER

A) **PLACE / PHYSICAL DISTRIBUTION**-IT MEANS MAKING THE GOODS AVAILABLE AT THE RIGHT PLACE SO THAT CONSUMERS CAN BUY THE SAME.

B) THE TWO DECISIONS ARE:

I| DECISIONS REGARDING PHYSICAL MOVEMENT OF GOODS FROM PLACE OF PRODUCTION TO CONSUMERS

II| DECISIONS REGARDING CHANNELS OF DISTRIBUTION IN THE DISTRIBUTION PROCESS

C| COMPONENTS OF PHYSICAL DISTRIBUTION :

a| **TRANSPORTATION** - creates place utility

b| **WAREHOUSING** - creates time utility



PROMOTION

Promotion is an important element of marketing mix by which marketers make use of various tools of communication to encourage exchange of goods and services in the market.

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PROMOTION MIX

Promotion mix refers to combination of promotional tools used by an organisation to achieve its communication objectives.

Various tools of communication are used by the marketers to inform and persuade customers about their firm's products. These include:

- (i) Advertising,
- (ii) Personal Selling,
- (iii) Sales Promotion,
- (iv) Publicity.



ADVERTISING

It is an impersonal form of communication, which is paid for by the marketers (sponsors) to promote some goods or service



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Personal Selling

Personal selling involves oral presentation of message in the form of conversation with one or more prospective customers for the purpose of making sales. It is a personal form of communication.



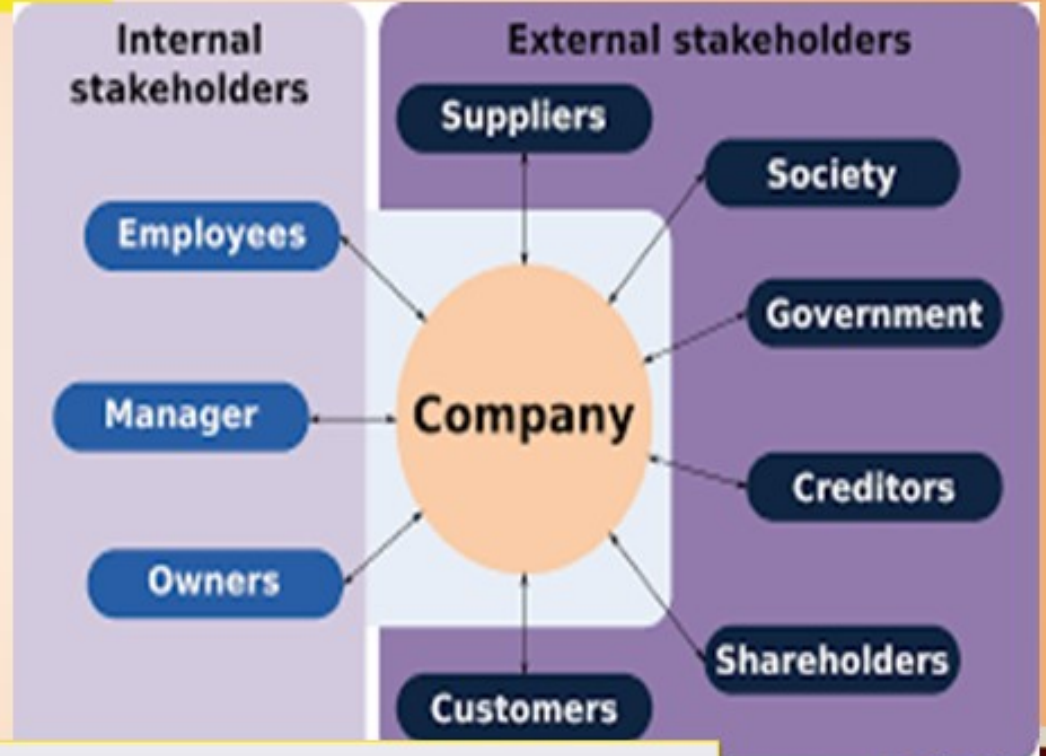
Sales Promotion

Sales promotion refers to short-term incentives, which are designed to encourage the buyers to make immediate purchase of a product or service. These include all promotional efforts other than advertising, personal selling and publicity, used by a company to boost its sales.



Public Relations

IT REFERS TO THE PRACTISE OF MANAGING COMMUNICATION BETWEEN AN ORGANISATION AND ITS PUBLIC IN ORDER TO MAINTAIN A POSITIVE IMAGE ABOUT ITSELF AND ITS PRODUCT.



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The PR department performs the following functions

1. Press relations
2. Product publicity
3. Corporate communications
4. Lobbying
5. Counselling



BRAIN TEASER

Sara was pursuing her graduation. Everyday she saw her mother working tirelessly at home after coming back from her work-place. She decided to start a tiffin service to increase her family income. To begin with she started supplying tiffin only in the neighbourhood. Everyday she detailed out the menu after consulting her mother. For informing the people about her service she designed a beautiful informative pamphlet, got it printed and started distributing it through the daily newspapers. She also appointed two delivery boys to deliver tiffins. The business was slow to begin with but picked-up well afterwards. She was able to earn a profit of 20% of the revenue in the first month.

- (a) Identify the promotional tool used by Sara to communicate to the customers about her tiffin service.
- (b) State any three features of the promotional tool identified above.

Ans: a) Advertising

b) features of advertising - paid form

-impersonal

-identified sponsor



F

Topics Deleted from chapter 11 “Marketing”

- # **Concept of selling**
- # **Marketing management**
- # **Role and objections to advertising**
- # **Qualities of a good salesman**
 - # **Role of Public relations**
- # **Factors determining choice of channels of distribution**
- # **Sales promotion techniques**



THANK YOU



Good
luck!

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