

Mkt501 final term
subjective Solve Questions
By Adnan Awan

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Question No: 49 (Marks: 3)

How public relations are helpful in creating goodwill for organizations?

Ans:

Corporations use marketing public relations (MPR) to convey information about the products they manufacture or services they provide to potential customers to support their direct sales efforts. Typically, they support sales in the short and long term, establishing and burnishing the corporation's branding for a strong, ongoing market.

Question No: 50 (Marks: 3)

How the performance of a supply chain can be measured? Mention any three points.

Ans:

Supply chain management spans all movement and storage of raw materials, work-in-process inventory, and finished goods from point-of-origin to point-of-consumption.

1. Distribution Network Configuration
2. Distribution Strategy
3. Information
4. Inventory Management

Question No: 51 (Marks: 5)

What is Integrated Marketing Communications? Why is it important?

Ans:

Definition:

A management concept that is designed to make all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing work together as a unified force, rather than permitting each to work in isolation. Integrated Marketing Communication is more than the coordination of a company's outgoing message between different media and the consistency of the message throughout. It is an aggressive marketing plan that captures and uses an extensive amount of customer information in setting and tracking marketing strategy. List down at least six examples of sales promotion.

Ans:

Following are the examples of sales promotion:

1. Free travel
2. Discounts and Sales
3. Contests
4. Rebates
5. Gifts and Incentive Items
6. Free Samples

Question No: 52 (Marks: 5)

What is the purpose of marketing research?

Ans:

Market Research is broader in scope and examines all aspects of a business environment. It asks questions about competitors, market structure, government regulations, economic trends, technological advances, and numerous other factors that make up the business environment.

Question No: 53 (Marks: 5)

How sales force automation system has increased the efficiency of sales manager?

Ans:

Sales force automation systems can also affect sales management. The sales manager can configure the system so as to automatically analyze the information using sophisticated statistical techniques, and present the results in a userfriendly way. This gives the sales manager information that is more useful in:

- Providing current and useful sales support materials to their sales staff
- Providing marketing research data : demographic, psychographic, behavioral, product acceptance, product problems, detecting trends
- Providing market research data : industry dynamics, new competitors, new products from competitors, new promotional campaigns from competitors, macro environmental scanning, detecting trends
- Co-ordinate with other parts of the firm, particularly marketing, production, and finance
- Identifying your most profitable customers, and your problem customers
- Tracking the productivity of their sales force by combining a number of performance

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Question No: 50 (Marks: 3)

What r those constructs which link input and output actions in the customer decision making process according to Howard and Sheath?

Ans:

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. Perceptual - those concerned with obtaining and handling information about the product or Service
2. Learning - the processes of learning that lead to the decision itself

Question No: 51 (Marks: 5)

The term Publicity and Public relation r interchangeable. Do u agree? (5 marks)

Ans:

No, the term Publicity and Public relation are not interchangeable.

Publicity is the means of using an external entity (celebrities, people from the media, etc) to increase the awareness levels of the product, company, goods etc amongst the public and/or buying segment.

“Publicity is the deliberate attempt to manage the public's perception of a subject”.

Public Relations

“Public Relations is the art and science of building relationships between an organization and its key publics. It is concerned with communications management”.

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Q11:-How retailers use technology for improving their performance?3marks

ANS

Retailers must use technology to gain a competitive advantage in today's world. Retail research provides critical insights into shoppers' changing habits and attitudes, evaluations of existing and emerging retail technology vendors, and advice about how retailers can harness technology to improve their customer experience and operating results.

Q12:-What are those constructs that link the input and output actions in the consumer decision making process according to the model of Howard and Sheath? 3marks

ANS

One of the best known of the explanatory 'lains the interactions involved are that of Howard and Sheath. This contains a deal of common sense, although, as is often the case with such models, the rather obscure terminology makes it appear more confusing than it really is. **The 'inputs' (stimuli) that the consumer receives from his or her environment are:**

1. **Significative** - the 'real' (physical) aspects of the product or service (which the company make use of)
2. **Symbolic** - the ideas or images attached by the supplier (for example by advertising)
3. **Social** - the ideas or images attached to the product or service by 'society' (for example, by reference groups)

The 'outputs' are what happens, the consumer's actions, as observable results of the input stimuli.

Between the inputs and outputs are the 'constructs', the processes which the consumer goes through to decide upon his or her actions. Howard and Sheth group these into two areas:

1. **Perceptual** - those concerned with obtaining and handling information about the product or service
2. **Learning** - the processes of learning that lead to the decision itself

Q13:-Why location is important for retailers and what are the promotional tools retailers can use?5marks

ANS

Location is important to any business or organization. You can be in a destitute part of town selling hamburgers and not make any money. If you move your burger business to the heart of the hustle and bustle of business you will be able to make more money. Location is very important to have growth. The correct location is important as well.

Promotional Tools Used by Retailers

- .Special Events
- .Visual Merchandising
- .Public Relations: Promoting and Advancing the Retailer's Image

Q14:-Explain safety need by giving at least four examples? 5marks

ANS

Safety Need: These are dealing with achieving of stability and of consistency in a chaotic world. These are mostly psychological in nature. We need the safety of a home and family.

However, if a family is dysfunctional caused by for **Example**

An abusive husband, he wife cannot move to the next level. Because she is constantly concerned for her safety. Love and belongingness have to wait until she is no longer fear. Many in our society cry out for law and other because they do not feel safe enough to go for a walk in their neighbourhood.

Provide a safe working environment, retirement benefits, and job security.

Once a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include:

1. Need for friends
2. Need for belonging
3. Need to give and receive love

Q15:-You are going to purchase a personal computer; which channel of distribution you will use to purchase your computer. Explain it with logical reasoning?5marks

ANS

I will prefer to purchase to retailer, because it's convenient rather than searching out the different companies for every part of PC. Its feel me easy to buy from one place. In some cases it's not possible that to purchase single from manufacturer. Retailers involved in a more exclusive distribution arrangement are likely to be more "loyal", they will tend to

1. Recommend the product to the customer and thus sell large quantities;
2. Carry larger inventories and selections;
3. Provide more services

Question No: 49 (Marks: 3)

Suppose you are going to buy an item which is offered for Rs.5000. Consider these situations.

There is 10% discount.

There is 10% surcharge

Calculate price you are going to pay for the item in each case.

Ans:

Price after discount:

As discount is 10% so the new price will be 90% of the actual price that is
 $5000 \times 90 / 100 = 4500$

Price after surcharge:

As surcharge is 10% so new price will be 110% of actual price that is
 $5000 \times 110 / 100 = 5500$

Question No: 50 (Marks: 3)

Differentiate between sales price and transfer price.

Ans:

Transfer price means to set the location, to analyze, place and alteration of charges made between two parties or companies for any business. Transfer prices among mechanisms may be used to reflect distribution of resources among such components or for other purposes. Transfer prices are important for both taxpayers and tax

managements because they determine in large part the income and expenses and taxable profits.

Sale price is that price at which something is obtainable for sale we can also say it the fair market value. According to the business dictionary sale price is also the reduce price of something during sale of something.

Question No: (Marks: 3)

List down at least six examples of sales promotion?

ANS

Examples of sales promotion are

- COUPONS
- DISCOUNTS AND SALES
- CONTESTS
- POINT OF PURCHASE DISPLAYS
- REBATES
- FREE SAMPLES (IN THE CASE OF FOOD ITEMS)
- GIFTS AND INCENTIVE ITEMS
- FREE TRAVEL, SUCH AS FREE FLIGHTS

Question No: (Marks: 3)

Why it is necessary for a marketer to understand the consumer behavior? Discuss it.

ANS

The study of consumer behavior (CB) is very important to the marketers because it enables them to understand and predict buying behavior of consumers in the marketplace; it is concerned not only with what consumers buy, but also with why they buy it, when and where and how they buy it, and how often they buy it, and also how they consume it & dispose it. Consumer research is the methodology used to study consumer behavior; it takes place at every phase of the consumption process: before the purchase, during the purchase, and after the purchase. Research shows that two different buyers buying the same product may have done it for different reasons, paid different prices, used in different ways, have different emotional attachments towards the things and so on.

Question No: (Marks: 3)

How sales force automation system has increased the efficiency of sales manager?

ANS

Sales staff will use their time more efficiently and more effectively. The sales manager will also become more efficient and more effective. This increased productivity can create a competitive advantage in three ways: it can reduce costs, it can increase sales revenue, and it can increase market share. Field sales staff will send their information more frequently.

Question No: 51 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

Ans:

Negotiation means two persons or two parties trying to solve some problem, Negotiations can occur in profit organization, non profit organization and Govt. offices.

There are many techniques used in negotiations like by skilled negotiator. The analysis of the negotiation or problem organization style should have the following points consideration:

- Presenting demands
- Ability to speak first
- Calculation Deadlines
- Take it or leave it
- Rejecting an offer
- Limited authority
- Getting it in your hands

The effective negotiating resulting in a best solution and by negotiation we solved very big problems in any organization.

Question No: 52 (Marks: 5)

What are the important questions a marketer should consider while selecting a distribution channel for any market segment?

Ans:

Before selecting a distribution channel for any market segment following questions must be answered in order to have an effective distribution channel.

Who is the operating authority of the channel?

Should distribution be exclusive, selective or extensive?

Should the product be sold through a retailer?

Should the product be distributed through wholesale?

Should multi-level marketing channels be used?

How long should the channel be?

Where should the product or service be available?

When should the product or service be available?

Should channel relationships be informal or contractual?

Should electronic methods of distribution be used?

Are there physical distribution and logistical issues to deal with?

Question No: 53 (Marks: 5)

When we are going to buy something from the market, it happens to our self that we buy things irrationally. How would you comment on this situation by keeping in view the model of Herbit Simon?

Ans:

Buyers normally engage in irrational buying behavior because perfectly rational buying cannot be achieved for the reason that there are number of factors that limit rational buying.

As Simon said if a complete analysis is to be done, a decision will be immensely complex.

Peoples' information processing ability is very limited.

The assumption of a perfectly rational economic actor is unrealistic.

Often we are influenced by emotional and non-rational considerations when we try to be rational we are at best only partially successful.

Moreover, perfectly rational decisions also pose a time constraint.

Q20:-Suppose you are going to buy an item which is offered for Rs.5000. Consider

**these situations? There is 10% discount, There is 10% surcharge
Calculate price you are going to pay for the item in each case? 3marks**

ANS

Price after Discount:

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Question No: 21 (Marks: 3)

Differentiate between sales price and transfer price?

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Transfer price means to set the location, to analyze, place and alteration of charges made between two parties or companies for any business. Transfer prices among mechanisms may be used to reflect distribution of resources among such components or for other purposes. Transfer prices are important for both taxpayers and tax managements because they determine in large part the income and expenses and taxable profits. Sale price is that price at which something is obtainable for sale we can also say it the fair market value. According to the business dictionary sale price is also the reduce price of something during sale of something.

Question No: 22 (Marks: 5)

Considering a situation in which you are going to negotiate with a party, what are the necessary skills you think you should have for successful and effective negotiation? Explain what the benefits of an effective negotiation are?

ANS

Negotiation means two persons or two parties trying to solve some problem, Negotiations can occur in profit organization, non profit organization and Govt. offices. There are many techniques used in negotiations like by skilled negotiator. The analysis of the negotiation or problem organization style should have the following points consideration:

Presenting demands

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The effective negotiating resulting in a best solution and by negotiation we solved very big problems in any organization.

Question No:23 (Marks: 5)

What are the important questions a marketer should consider while selecting a distribution channel for any market segment?

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Before selecting a distribution channel for any market segment following questions must be answered in order to have an effective distribution channel.

1. Who is the operating authority of the channel?
2. Should distribution be exclusive, selective or extensive?
3. Should the product be sold through a retailer?
4. Should the product be distributed through wholesale?
5. Should multi-level marketing channels be used?
6. How long should the channel be?
7. Where should the product or service be available?
8. When should the product or service be available?
9. Should channel relationships be informal or contractual?
10. Should electronic methods of distribution be used?
11. Are there physical distribution and logistical issues to deal with?
- 12.

Question No: 24 (Marks: 5)

When we are going to buy something from the market, it happens to our self that we buy things irrationally. How would you comment on this situation by keeping in view the model of Herbit Simon?

ANS

Buyers normally engage in irrational buying behavior because perfectly rational buying cannot be achieved for the reason that there are number of factors that limit rational buying. As Simon said if a complete analysis is to be done, a decision will be immensely complex. Peoples' information processing ability is very limited. The assumption of a perfectly rational economic actor is unrealistic. Often we are influenced by emotional and non-rational considerations when we try to be rational we are at best only partially successful. Moreover, perfectly rational decisions also pose a time constraint.

Question No: (Marks: 5)

Differentiate between economic and psychological models?

ANS

Economic models - These models are largely quantitative and are based on the assumptions of rationality and near perfect knowledge. The consumer is seen to maximize their utility. See consumer theory. Game theory can also be used in some circumstances.

Psychological models - These models concentrate on psychological and cognitive processes such as motivation and need reduction. They are qualitative rather than quantitative and build on sociological factors like cultural influences and family influences.

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