**SUB CODE: 16CCBB3 I BBA**

**UNIT I**

**2MARKS**

1**. Marketing.**

American association of marketing defines marketing management as the process of planning, executing the concepting and pricing, promoting distribution of ideas. Goods and services in order to create, exchange, satisfy individuals & organization objectives.

2. **Market.**

The term market means “to trade”.

A market is essential place where goods and services are for sale.

3. **Demarketing.**

Demarketing refers to the practice of discouraging the consumers from buying.

4. **Remarketing.**

Techniques for finding new uses from market are known as remarketing.

5. **Marketing information system.**

It refers to the systematic collection, analysis, interpretation, storage and dissemination of the market information from both internal and external sources to the marketer on a regular continuous basis based on information and efficient decision regarding.

**5MARKS**

1. Differentiate between marketing and selling.

|  |  |
| --- | --- |
| **MARKETING** | **SELLING** |
| Selling is part of marketing | Marketing is not part of selling |
| Marketing starts before production | Selling starts after production |
| Marketing is concerned with buyer’s need | Selling is concerned with seller’s need |
| It is changing concept | It is static |
|  It requires the performance of several activities | It is concerned with just one aspect namely transfer for a price |
| It is the starting point of all the business activities | It is done towards the end  |
| The philosophy of marketing is customer’s satisfaction | Profit maximization is the philosophy of selling |

2. **Marketing information system**.

It refers to the systematic collection, analysis, interpretation, storage and dissemination of the market information from both internal and external sources to the marketer on a regular continuous basis based on information and efficient decision regarding.

Components of MIS

* International records.
* Marketing intelligence system.
* Marketing research.
* Marketing decision support system.

**10MARKS**

**1. CLASSIFICATION OF MARKET.**

Classification is made on

1. Geographic area

* Local market
* National market
* International market

2. Economic

* Perfect market
* Monopolistic market
* Monopoly market
* Oligopoly market

3. Volume of business

* Wholesale market
* Retail market

4. Times

* Very short period market
* Short period market
* Long period market

5. Importance

* Primary market
* Secondary market
* Terminal market

6. Nature of goods

* Commodity market
* Agricultural goods market
* Consumer goods market
* Industrial goods market
* Bullion market
* Capital market
* Money market
* Foreign exchange
* Stock market

7. Regulations

* Regulated market
* Un regulated market

8. Nature of transaction

* Spot market
* Forward market

**2. MARKETING FUNCTIONS**

Marketing functions

Functions of exchange Functions of physical supply Facilitating functions

 Assembling Transportation Storage & Warehousing Risk taking

 1) Road 1) Public Warehouse

 2) Rail 2) Bonded Warehouse

 3) Sea Financing Standardisation

 4) Air & grading

**BUYING SELLING**

 1) Hand to mouth 1) Sale by inspection

 2) Speculative 2) Sale by sample

 3) Buying in inspection 3) Sale by description

 4) Buying in sample 4) Under cover method

 5) Buying by description 5) Auction

 6) Contract 6) Tender system

 7) Scheduled 7) Sale at flat rate

 8) Period 8) Gentlemen’s agreement

 9) Open market

10) Concentrated

**3. MARKETING ENVIRONMENT**

Marketing Environment

Internal Environment External Environment

* HR
* R&D
* Production
* Company location Micro
* Company image
* Supplier
* Intermediatories
* Customer
* Competitors

 Macro

Demographic

Geographic

Technological

Economical

Natural Environment

**UNIT 2**

**2MARKS**

**1. MARKET SEGMENTATION**

Market segmentation is the process of taking the total heterogeneous market for a product and deciding it into several submarket/ segment each of which tends to be homogeneous.

**2. CONSUMER BEHAVIOR**

Consumer behavior refers to the selection, acquisition and consumption of goods and services to meet their needs.

**3. SELECTIVE DISTORTION**

Customer tries to interpret the information

**4. SELECTIVE RETENTION**

Retain information

**5. BUYER’S MOTIVE**

The manner in which the buyers will react to the marketer’s. Strategy is what is known as buyer’s motive

**5MARKS**

**1**. **CRITERIA FOR SEGMENTATION**

* Size of segmentation
* Measurement of behavioral patterns
* Accessibility
* Representative nature
* Demand
* Response

**2. BASIS FOR SEGMENTATION**

* Undifferentiated market
* Differentiated market
* Concentrated market

**3. FACTORS INFLUENCED IN BUYING DECISION**

* Quality
* Price
* Quantity
* Seller’s image
* Shopping comforts

**10MARKS**

**1. METHODS OF SEGMENTATION**

* Demographic segmentation
* Age
* Sex
* Income
* Marital status
* Geographic segmentation
* Place
* Population
* Climate
* Countries
* Cities
* Geodemographic segmentation
* Combination of above two segmentations
* Psychographic segmentation
* Social status
* Life style
* Personality traits
* Behavioral segmentation
* Occasion
* Brand loyalty
* Benefit needed
* Usage frequency

2**. Factors involving consumer behavior**

* Cultural factors
* Culture
* Sub culture
* Social culture
* Social factor
* Reference group
* Family
* Roles & status
* Psychological factor
* Motivation
* Perception
* Beliefs & attitudes
* Personal factors
* Age
* Occupation
* Economic status
* Life style
* Personality

**3. BUYING PROCESS**

* Problem recognition
* Information research
* Evolution of alternatives
* Purchase decision
* Purchase
* Post purchase evolution

**UNIT 3**

**2marks**

1. **Marketing mix**

Combination of 4p’s

* Product
* Price
* Physical distribution
* Promotion

2. **Product**

A product may be defined as “anything that is tangable, useful and can be purchased for a price

3. **Product line**

It refers to a group of product by a company that can be bought under a particular category

4. **Product policy**

A policy made with respect to the development of new product or retaining an existing product in market is known as product policy

**5. Trading up strategy**

Low price products – high price product

Trading down strategy

High price product – low price product

**6. Product diversification**

When a business unit that is already marketing a product undertakes the marketing of an at together different product

Examples: HMT- tractors, ladders

**7. Product modification**

Alternating of existing product to suit the changing need of buyers

Examples: herbal soaps

**8. Pricing**

Price is the exchange value of goods and services in terms of money. It is the amount paid for the value a utility received by the buyers in the terms of the product on services

**9. Break even pricing**

Is the price at which the seller revenue is equal to the costs of goods sold

Breakeven point = selling price – variable costs

**10. Going rate pricing**

* Competitors pricing
* Premium pricing
* Discount pricing

**5MARKS**

**1. PRODUCT LIFE CYCLE**

Introduction stage

* Profit will be low
* Selling costs will be very high

Growth stage

* Sales & profit will begin to rise

Maturity stage

* Sales & profit will reach maximum level

Decline stage

* Profit & sales will get decreased

2. **FACTORS INFLUENCING PRICING**

Pricing factors

Internal factors External factors

1. Costs Demand

2. Business objectives Competition

ROI Middlemen

Preventing competitions Govt regulations

Stability in price Political condition

Meeting competition

Maximizing profit

**10 MARKS**

**1. MARKETING MIX**

Product mix

* Service
* Packaging
* Brand
* Product line
* Product items

Price mix

* Org objectives
* Competitions
* Costs & profit
* Credit terms
* Discount
* Pricing option

Place mix

* Distribution channels
* Transport
* Ware house
* Distance factors

Promotion mix

* + Cost
	+ Its reach
	+ Flexible
	+ Credits
	+ Control

2. **NEW PRODUCT DEVELOPMENT PROCESS**

1. Idea generation
2. Idea screening
3. Business analysis
4. Concept testing
5. Product development
6. Product testing
7. Test marketing
8. Commercialization

**3. PRICING METHODS**

Pricing methods

**Cost-oriented method market oriented method**

1. Cost plus pricing a) perceived value pricing

2. Mark up pricing b) going rate pricing

3. Breakeven pricing 1. Competitor’s party method

4. Target return pricing 2. Premium pricing

5. Easy cash recovering pricing 3. Discount pricing

 c) Sealed bid pricing

 d) Differentiated pricing

**UNIT 4**

**2Marks**

**1. Marketing channels**

A marketing channel is the people organization and activities necessary to the transfer the owner’s of goods from the point of production to the point of consumption. It is may product and service gets to the end user. The consumer and is also known as a distribution channel.

**5MARKS**

**1. Types of marketing channel**

1. Producer – customer
2. Producer – retailer – customer
3. Producer – whole seller – retailer – customer
4. Producer – agent/broker – whole seller/retailer – customer

 **2. Difference**

|  |  |
| --- | --- |
| **WHOLE SELLER** | **RETAILER** |
| They buy from the manufacturer and sells goods to retailer | They buy from whole seller and sells goods to consumer |
| Sells on credit | Sell for cash |
| Specialize in particular product | Deal different types of product |
| Buy in bulk quantities | Buy in small quantities |
| Always deliver goods at the doorsteps of retailer  | Door delivery to consumer |
| Goes to different places to supply | Sells @ particular place |

**3. TYPES OF WHOLE SELLER**

1. Truck jobber – sells mainly things in truck
2. Rack jobber – sells goods by keeping goods in racks
3. General whole seller
4. Specialty whole seller
5. Brokers
6. Commission merchant
7. Manufacturer’s agents
8. Selling agent
9. Converters
10. Assembles

**4. ELEMENT OF PHYSICAL DISTRIBUTION**

* Transportation
* Inventory
* Warehousing

Order passing

**5. DIFFERENT TYPES OF ORDER PASSING**

* Order placed by consumer to sales person
* Transmission of order by sales person to company
* Entry of order in the company office
* Evaluating the reputation of the customer
* Checking inventory & preparing
* Shipment of material
* Receiving payments

**10marks**

**1. FUNCTIONS OF WHOLE SELLER**

1. Buying and selling
2. Warehousing
3. Grading and packaging
4. Transportation
5. Financing
6. Risk bearing
7. Providing marketing information
8. Dispersion of goods

**2. TYPES OF RETAILER**

1. Buying and selling
2. Warehousing and storing
3. Selling
4. Credit facilities
5. Grading and packaging
6. Collection of supply of market information
7. Helps in introducing new product
8. Window display & advertising

**UNIT 5**

**2marks**

**1. Promotion**

Promotion is the process of communicating the product information to the potential buyer’s promotion involves the performance of several activities that facilitate selling

 **2. Sales promotion**

The American marketing association has defined sales promotion as “sales promotion” in specific sense refers to those sales activities that supplement both personal selling and advertising & co- ordinates them & help to make them effective which as display shows & expositors, demonstration and other non- recurrent selling efforts not in the ordinary routine

**3. Personal selling**

It is an oral face to face presentation with the prospective buyers for the purpose of making sale

**4. Advertising**

* Advertising is any non- personal presentations of goods and service by an identified sponsor
* It is a paid form of promotion

**5. Publicity**

It refers to any form of news commercially significant about a product or services about process or services or institutions that is not paid for

**6. Public relation**

The report that the business maintains with the members of the public is known as public relation

**5MARKS**

**1. AIDA concept**

Sales promotion, ads & personal selling must conform to the AIDA concept

A – ATTENTION

I – INTERSET

D – DESIRE

A – ACTION

**2. PROCESS OF PERSONAL SELLING**

It is an oral face to face presentation with the prospective buyers for the purpose of making sale

Process:

Identifying the buyers

Approaching the buyers

Overcoming objectives

Closing the sale

**3. OBJECTIVES OF ADVERTISING**

Stimulate sales

* Improve profit
* Help in attain company goals
* Intended to create
* Import information
* Develop attitude

Types of advertising

* Newspaper
* Magazine
* Radio
* TVs

**4. PUBLIC RELATION**

The report that the business maintains with the members of the public is known as public relation

Objectives:

* To promote the company’s service and products in a highly competitive world
* Achieve good will
* Safeguard reputation
* Improve internal relationship

**Tools of public relation**

* Speaking
* Conference
* Have good telephone manner
* Writing letters

Media for public relation

* Newspaper & magazine
* Technical & trade publication
* Brokers
* Good speech

 **10MARKS**

**1. Sales promotion methods**

 Sales promotion at dealer’s level

Levels Sales promotion at consumer level

 Sales promotion at salesman level

**Sales promotion at dealer’s level**

* Demonstration
* Display
* Gifts
* Trade fairs & exhibition

**Sales promotion at consumer level**

* Free samples
* Price off
* Discounts
* Coupons

**Sales promotion at salesman level**

* Meetings
* Pamphlets
* Sales appraisal
* Sales journal