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Answer key SET B

Q1 A. Choose the correct option

1.B, 2.A, 3.B, 4.B, 5.C, 6.D, 7.B, 8.C, 9.A, 10.A

1B. TRUE- 1,6,7,8,9

FALSE - 2,3,4,5,10

2A. 7 P- People, Product, Price, Promotion, Place, Process and Physical Evidence all make up the **Marketing Mix**

2B: objective of scanning marketing environment - General awareness, marketing analysis, improvement in diversification & resource allocation, identify opportunities, designing strategies

2D. characteristics of services are as follows: 1. Perishability 2. Fluctuating Demand 3. Intangibility 4. Inseparability 5. Heterogeneity 6. Pricing of Services 7. Service quality

3A. **Investment products are -**

1. Liability Products- Savings accounts, No-frills accounts, Current accounts, Fixed deposits/ Term deposits, Recurring deposits

2. Asset products

Housing loans, Personal loans, Education loans

Gold loans, Loans to senior citizens, Property and mortgage loans, Vehicle loans, Agriculture loans

3. Credit cards/ Debit cards

Credit cards,  Debit cards

4. Investment products

Insurance products, Pension plans, Mutual funds

B. The process of dividing a market into distinct subsets (segments) of consumers with *common needs or characteristics* and selecting one or more to target with a distinct marketing mix. The basis is Demographic, socio-economic, psychographic- life style, purchase behavior, usage, occasion, belief, Geographic Segmentation

### 3C. **PRICING STRATEGIES**

**Definition:** Price is the value that is put to a product or service and is the result of a complex set of calculations, research and understanding and risk taking ability. A pricing strategy takes into account segments, ability to pay, market conditions, competitor actions, trade margins and input costs, amongst others. It is targeted at the defined customers and against competitors.

3D. **Scope of CRM-** CRM, the technology, along with human resources of the company. enables the company to analyze the behavior of customers and their value. The main areas of focus are as the name suggests: *customer relationship*, and *the management of relationship* and the main objectives to implement CRM in the business strategy are:

To simplify marketing and sales process

To make call centers more efficient

To provide better customer service

To discover new customers and increase customer revenue

To cross sell products more effectively