

## Marketing For SBI Exams

1. There are 4 Ps of Product Marketing: Product, Place, Price and promotion. These are also known as the 4 Ps of Marketing Mix.

**Product:** A product may be a tangible product or an intangible product. A product is produced with a specific volume of units with an aim to satisfy the needs of the customers. The sub elements of product are Product design, positioning, branding, packaging & labeling, Product line, customer service, warranties & guarantees, new product development, and product life cycle.

**Price:** Amount a customer pays for the product is its price. Price is determined by a lot of factors such as demand, supply of raw components. Market share, competition, material cost and operational cost (production cost), and customer's perceived value of the product. The sub elements of Price include Manufacturer, Wholesaler and retailer prices, terms and conditions of pricing, bidding tactics. Discount policies, Price differentiation

**Promotion:** Promotion refers to all of the communications that a marketer may use in the marketplace. The supplements are Advertising, Sales force polices, direct marketing, Public relationships, Price promotions, Trade shows and special events. The four distinct factors of promotion are advertising, public relations, word of mouth and point of sale. Promotion may be paid or unpaid. Paid promotions include advertising through various media, sponsorship deals, exhibitions, conferences, seminars, paid participation in trade fairs and events and unpaid promotion include the press releases, word of mouth etc.

**Place:** Place refers to the location where a product can be purchased. It represents the distribution channel. The Distribution channel may be direct or indirect. Channel length and channel breadth matter a lot. Some other sub elements are sublets, franchisees, direct sales agents, wholesalers, retailers etc.

For Service Marketing, an extended version of Marketing Mix with 7Ps has been proposed: The 7Ps of Service Marketing are: Product, Price, Place, Promotion, People, Process and Physical Evidence.

2. There are 5 Eras of Evolution in Marketing:

- ✓ **Production Era:** Cut costs. Profits will take care of themselves
- ✓ **Product Era:** A good product will sell itself
- ✓ **Sales Era:** Selling is laying the bait for the customer
- ✓ **Marketing Era:** The customer is King!
- ✓ **Relationship Marketing Era:** Relationship with customers determine our firm's

3. There is a customer-focused marketing mix which is known as 4C model. These are also known as the 4 Cs of Marketing Mix: Customer Solution, Cost, Convenience and Communication.

4. Nature of Marketing is as follows:

- ✓ Marketing is a human activity
- ✓ It's a socio economic activity
- ✓ The subject matter of marketing is products and services
- ✓ Certain type of market is a must for marketing to happen
- ✓ It's a consumer oriented process and not a product oriented process
- ✓ Marketer performs the marketing and consumer is required to do marketing
- ✓ The base of marketing is exchange
- ✓ It's an art as well science
- ✓ It is a universal activity

5. There are five major areas of analysis (5 Cs) for marketing decision making: Customers, Company, Competitors, Collaborators and Context. These are included in a Marketing Plan.

**Customers:** Customer is the king and ultimate goal of marketing process is to derive profit as well as satisfy the customer needs. The marketer has to find out what are the needs and demands of the customers and how the firm would seek to satisfy those demands. Customer is central to marketing as well as business and existence of a firm.

**Company:** Today's markets are competitive and here goes the principle "survival of the fittest". The company has to have some competencies and abilities to survive and flourish. The marketer has to judge, analyze and make marketing plans and strategies within the limits of the competencies and capabilities of the firm.

**Competition:** Market essentially has competition. Competition makes choices & options available to customers as well as provides the best value for money to the end consumers. The marketer has to find out who competitors are and how to meet that competition. There is always competition in the market offerings and unless the competition taken into account, the marketer may lead the firm in wrong direction.

**Collaborators:** Someone who assists in a programme is a collaborator. The collaborator term in marketing involves all the people whose help required meeting the marketing goals. The personnel of the company as well as external collaboration such as advertising agencies, direct sales agents etc. need to be discussed.

**Context:** Context deals with the external and internal environment of the firms and markets. The efficient marketer has to judge the political, legal, social, cultural and technological environment of the market and decide upon the factors, which may affect the course of marketing process.

**6. Market Segmentation:** The market place is heterogeneous with differing wants and varying purchase power. The heterogeneous marketplace can be divided into many homogeneous customer segments along several segmentation variables. The division of the total market into smaller relatively homogeneous groups is called market segmentation. A market segment consists of consumers who respond in a similar way to a given set of marketing efforts.

7. Market targeting is the process of evaluating each segment's attractiveness and selecting one or more segments.

**8. Positioning:** The concept of positioning seeks to place a product in a certain 'position' in the minds of the prospective buyers. Positioning is the act of designing the company's offer so that it occupies a distinct and valued place in the target customers' minds.

9. Local marketing involves tailoring brands and promotions to the needs of specific customer groups found in cities, neighborhoods, or stores.

10. Buzz marketing is used when marketers enlist opinion leaders to spread the word about their products.

11. Market is the set of actual and potential buyers of a product.

12. Social marketing involves programs to reduce smoking, alcoholism, drug abuse etc.

13. The typical PLC (Product Life Cycle) consists of five main stages: (a) product development (b) introduction (c) growth (d) maturity (e) decline

**14. Viral Marketing:** Viral Marketing is nothing but, Marketing by the word of the mouth, having a high pass-rate from person to. The best example for this is creating a 'buzz' in the industry.

**15. Drip Marketing:** Drip Marketing is nothing but sending promotional items to clients.

**16. Guerilla Marketing:** Guerilla Marketing is an Unconventional marketing intended to get maximum results from minimal resources. The term guerrilla marketing is easily traced to guerrilla warfare which utilizes atypical tactics to achieve a goal in a competitive and unforgiving environment.

**17. Societal marketing:** It is an enlightened marketing concept that holds that a company should make good marketing decisions by considering consumers' wants, the company's requirements, and society's long-term interests. It is closely linked with the principles of corporate social responsibility and of sustainable development.

**18. Social marketing:** It is the systematic application of marketing, along with other concepts and techniques, to achieve specific behavioral goals for a social good. Social marketing can be applied to promote merit goods, or to make a society avoid demerit goods and thus to promote society's well being as a whole. For example, this may include asking people not to smoke in public areas, asking them to use seat belts, or prompting to make them follow speed limits.

**19. Social Media Marketing:** Marketing using online communities, social networks, blog marketing etc is called the social media marketing. It provides a window to market a product or service on the Internet through different social networks. Companies can use these outlets for their marketing, customer service and sales.

20. **Green marketing:** It is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising.

21. **Direct Marketing:** If the company directly reaches to the customers on a personal basis (ex: phone calls, private mailings, etc) rather than traditional channel of advertising (like TV, Newspapers, etc) then that type of marketing is called the Direct Marketing.

22. **Indirect Marketing:** Distributing a particular product through a channel that includes one or more resellers is called Indirect Marketing

23. **Internet Marketing:** Marketing of products or services over the Internet is called Internet Marketing. It is also known as i-marketing, web-marketing, online-marketing, Search Engine Marketing (SEM) and e-Marketing.

24. **Digital Marketing:** The marketing which uses digital advertising is called digital marketing. Eg. Television, Radio, Internet, mobile etc.

25. **Niche Marketing:** When a product or service is not being readily supplied to a certain portion of a market, a company can focus their efforts on that niche to address a need that isn't currently being addressed. This targeted marketing is successful because the marketer has identified a need that isn't being resolved by mainstream providers. Sometimes it is beneficial for a company to focus on a niche instead of trying to compete in a larger market.

26. **Cause Related Marketing or Cause Marketing:** It is an approach where in an organization supports a cause and associates itself publicly with it.

27. **Marketing vs. Selling:** Marketing as a concept and approach is much wider than selling and is also dynamic as the focus is on the customer rather than the product. While selling revolves around the needs and interest of the manufacturer or marketer, marketing revolves around that of consumer. It is the whole process of meeting and satisfying the needs of the consumer.

28. **Concentrated Marketing:** It is a strategy whereby a product is developed and marketed for a very well defined and specific segment of the consumer population. Concentrated marketing is particularly effective for small companies with limited resources because it enables the company to achieve a strong market position in the specific market segment it serves without mass production, mass distribution, or mass advertising.

29. **Differentiated Marketing:** It combines the best attributes of undifferentiated marketing and concentrated marketing. It appeals to two or more distinct market segments, with a different marketing plan for each. Differentiated Marketing also called as multisegment marketing is wherein a company attempts to appeal to two or more clearly defined market segments with a specific product and unique marketing strategy tailored to each separate segment.

30. **Mass Marketing:** This approach aims at a large, broad consumer market through one basic marketing plan. A major objective of mass marketing is to maximize sales.

31. Market Demand for a product is the total volume that would be bought by a defined customer group, in a defined geographical area, in a defined time period, in a given marketing environment.

32. Company demand is the company's share of market demand. This can be expressed as a formula:  
Company Demand = Market Demand \* Company's Market Share

33. The Sales Forecast is the expected level of company sales based on a chosen marketing plan and an assumed marketing environment. Note that the Sales Forecast is not necessarily the same as a "sales target". A sales target (or goal) is set for the sales force as a way of defining and encouraging sales effort. Sales targets are often set some way higher than estimated sales to "stretch" the efforts of the sales force.

### **SELLING:**

- a. Emphasis is on the product
- b. Company manufactures the product first
- c. Management is sales volume oriented

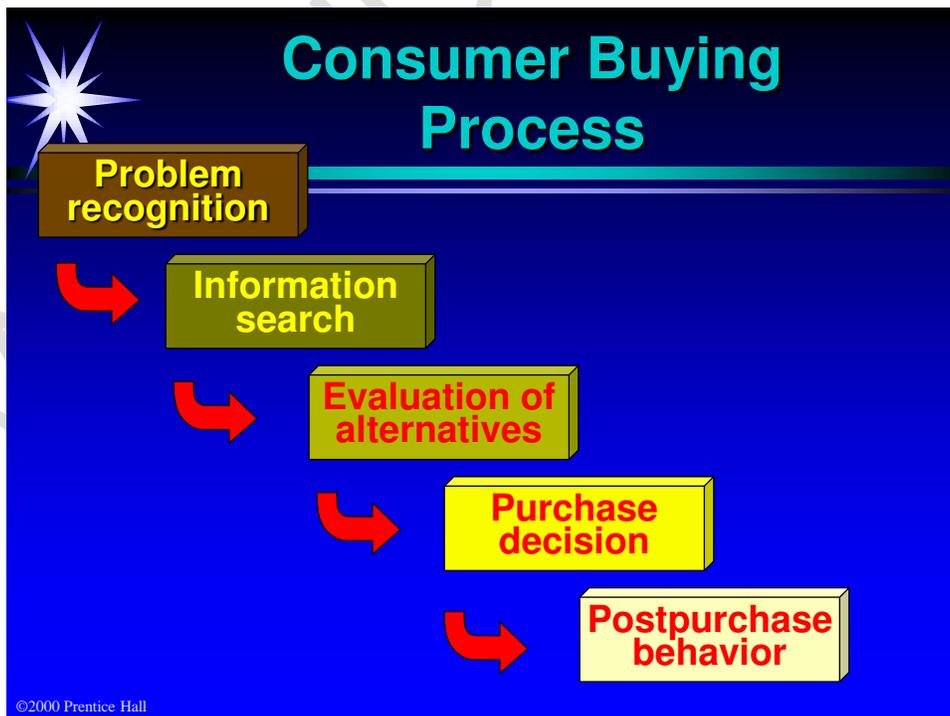
- d. Planning is short-run-oriented in terms of today's products and markets
- e. Stresses needs of seller
- f. Views business as a good producing process
- g. Emphasis on staying with existing technology and reducing costs
- h. Different departments work as in a highly separate water tight compartments
- i. Cost determines Price
- j. Selling views customer as a last link in business

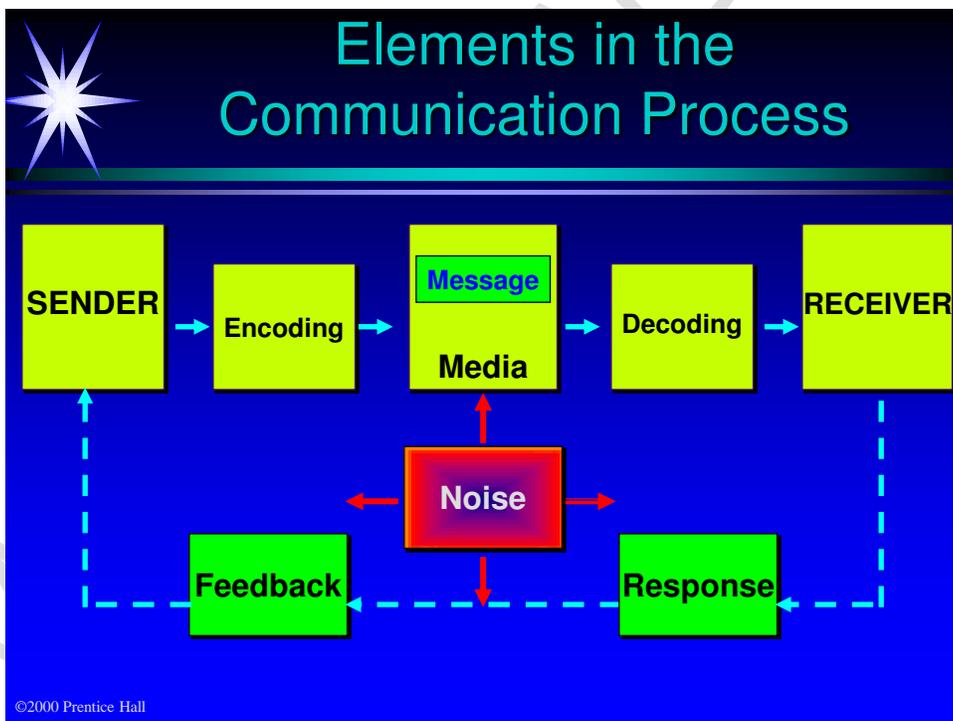
**MARKETING:**

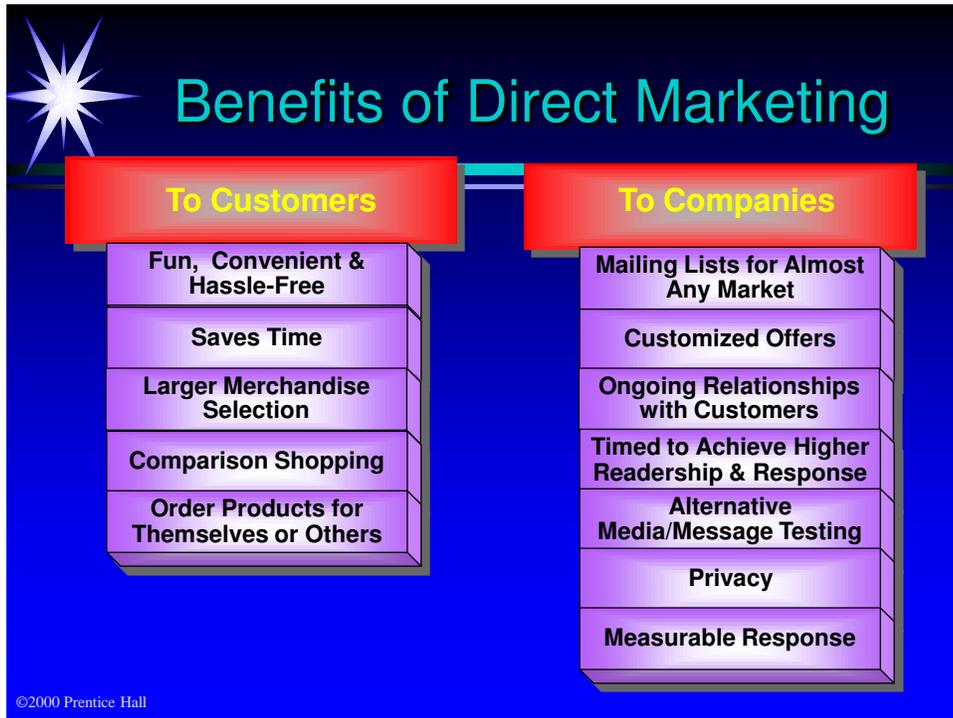
- a. Emphasis on consumer needs wants
- b. Company first determines customers needs and wants and then decides out how to deliver a product to satisfy these wants
- c. Management is profit oriented
- d. Planning is long-run-oriented in today's products and terms of new products, tomorrow's markets and future growth
- e. Stresses needs and wants of buyers
- f. Views business as consumer producing process satisfying process
- g. Emphasis on innovation on every existing technology and reducing every sphere, on providing better costs value to the customer by adopting a superior technology
- h. All departments of the business integrated manner, the sole purpose being generation of consumer satisfaction
- i. Consumer determine price, price determines cost
- j. Marketing views the customer last link in business as the very purpose of the business

34. The Marketing Plan consists of the following parts:

- a. Executive Summary & Table of Contents
- b. Current Marketing Situation
- c. Opportunity & Issue Analysis
- d. Objectives
- e. Marketing Strategy
- f. Action Programs
- g. Projected Profit-and-loss
- h. Controls







### SBI EXAM QUESTIONS

1. 'Customisation' means \_\_\_  
 (a) Tailor-made products for each customer (b) Customers selling goods (c) Tailor-made products for each staff (d) A selling process (e) None of these
2. A Marketing Survey is required for \_\_\_  
 (a) deciding marketing strategies (b) deciding Product strategies (c) deciding pricing strategies (d) All of these (e) None of these
3. Cross-selling means \_\_\_  
 (a) Selling with a cross face (b) Cross country marketing (c) Selling other products to existing customers (d) Selling to friends (e) None of these
4. Marketing is the function of \_\_\_  
 (a) Only Sales persons (b) Only counter staff (c) Only qualified persons (d) Top Boss (e) A collective function of all staff
5. The performance of sales person depends on \_\_\_  
 (a) Ability and willingness of the sales person (b) Incentive paid (c) Size of the sales team (d) Team leader's attitude (e) His aggressive nature
6. Good marketing strategy envisages good and proper \_\_\_  
 (a) Product distribution (b) Networking of branches (c) High Pricing (d) Placement of counter staff (e) Relationship management
7. The sequence of a sales process is \_\_\_  
 (a) Lead generation, Call, Presentation & Sale (b) Sale, Presentation, Lead generation & Call (c) Presentation, Lead generation, Sale & Call (d) Lead Generation, Call, Sale & Presentation (e) None of these
8. To 'Close a Call' means \_\_\_  
 (a) To end the conversation (b) To put the phone down (c) To close the doors (d) To clinch the sale (e) To close the business

9. The Target Group for Education Loans is \_\_\_\_  
 (a) all colleges (b) all parents (c) research scholars (d) meritorious students seeking higher education (e) all of these
10. Market Segmentation is useful for \_\_\_\_  
 (a) Preferential marketing (b) Targeting existing clients (c) Identifying prospects (d) Knowing customers' tastes (e) All of the above
11. The Target Group for Savings Deposit Accounts is \_\_\_\_  
 (a) Newborn babies (b) students (c) parents (d) businessman (e) all of the above
12. Market Segmentation can be resorted to by means of \_\_\_\_  
 (a) segmenting by age (b) segmenting by income (c) segmenting geographically (d) all of these (e) none of these
13. The Target Group for a Car Loan is \_\_\_\_  
 (a) all auto drivers (b) all auto dealers (c) all car owners (d) any individual needing a car (e) all of these
14. The Target Group for Agricultural Loans is \_\_\_\_  
 (a) any farmer (b) farm laborers (c) any individual dealing in agricultural or related activity (d) farmers' societies (e) all of these
15. The Target Group for Credit Cards is \_\_\_\_  
 (a) existing cardholders (b) all graduates (c) all minors (d) individuals with taxable income (e) all of these
16. Market Segmentation means \_\_\_\_  
 (a) segmenting the salesmen (b) segmenting the employees (c) segmenting the customers as per their needs (d) segmenting the products (e) All of these
17. A 'Target Group' means \_\_\_\_  
 (a) a group of sellers (b) a group of buyers (c) a group of products (d) a group of persons to whom sales should be focused (e) all of these
18. A Call Centre is \_\_\_\_  
 (a) a meeting place for DSAs (b) a Training Centre for DSAs (c) a meeting place for customers (d) Data Centre (e) a back office set up where customer queries are answered
19. Credit cards are used for \_\_\_\_  
 (a) Cash withdrawals (b) Purchase of air tickets (c) Purchase of consumable items from retail outlets (d) All of these (e) None of these
20. Marketing in Banks is required for \_\_\_\_  
 (a) Getting new customers (b) Retaining existing customers (c) Lending (d) Accepting of deposits (e) All of the above

1	A	6	E	11	C	16	C
2	D	7	A	12	D	17	D
3	C	8	D	13	D	18	E
4	E	9	D	14	C	19	D
5	A	10	E	15	D	20	E