



INDIAN SCHOOL AL WADI AL KABIR
DEPARTMENT OF COMMERCE

ASSESSMENT I -2022-23

Class: XII

Answer key

MARKS: 60

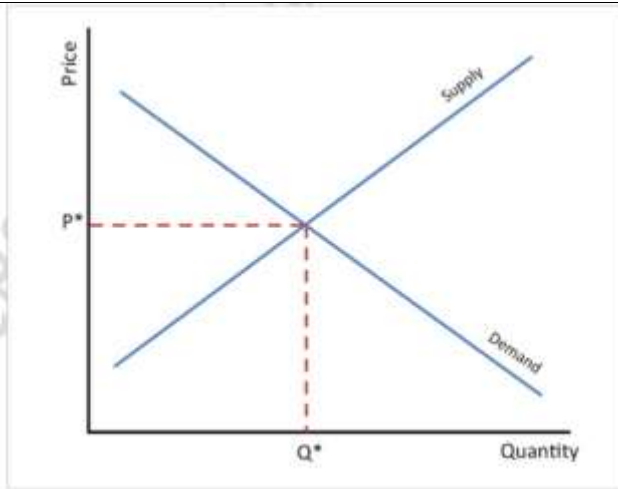
General Instructions: -

- 1) All questions in both the sections are compulsory.
- 2) Marks for questions are indicated each.
- 3) All parts of a question should be answered at one place.

Q. No.	SECTION A: EMPLOYABILITY SKILLS	10 Marks
1	<p>Choose the correct option:</p> <p>_____ are defined as relatively lasting patterns of thoughts, feelings and behaviors that distinguish individuals from one another.</p> <p>A. Self-Management B. Personality C. Behavioral pattern D. Personality Traits</p>	1
2	<p>People with this disorder, frequently try to gain more attention by being overly dramatic. They are extremely sensitive to criticism or disapproval and can be easily influenced by others. Identify the personality disorder explained here.</p> <p>A. Dependant Personality Disorder B. Histrionic Personality Disorder C. Obsessive Personality Disorder D. Narcissistic Personality Disorder</p>	1
3	<p>A spreadsheet that has one or more worksheets is called as _____</p> <p>A. Worksheet B. Worksheet book C. Workbook</p>	1

	D. Spread book	
4	<p>How many textboxes does the first slide of LibreOffice Impress have by default?</p> <p>A. 3 B. 2 C. 1 D. 4</p>	1
5	<p>Mention the steps to insert shapes in a presentation</p> <p>Ans: To insert an arrow, you must click on Insert, and then, select Shape. This has several options. Choose Arrow to see different types of arrows. Select the one required for the presentation, for example, ‘Circular Arrow’. In this way, you can select any shape you want. Once a shape is inserted in a slide, you can use the Properties tab to make changes to the properties of the shape, such as color, size, position, direction, etc.</p>	2
6	<p>List the presentation software’s available</p> <p>Ans. There are a number of presentation software available, such as</p> <p>1. LibreOffice Impress 2. Microsoft Office – PowerPoint 3. OpenOffice Impress 4. Google Slides 5. Apple Keynote</p>	2
7	<p>Write a brief note on Paranoid personality disorder</p> <p>Ans. Paranoid personality disorder: Paranoid personality disorder is characterized by distrust for others, including friends, family members and partners. People with such a disorder mostly hold grudges against others.</p>	2
	SECTION B: SUBJECT SKILLS	50
		Marks
8	<p>Choose the correct option:</p> <p>This product aims to enhance the value of the product/offer through voluntary improvements. These improvements may be neither suggested by the customer nor expected by him. The manufacturer/marketer adds the feature/benefit on his own. The needs of the customer are identified through market research</p>	1

	<p>surveys and the insights thus obtained are used to add new features/functions to the product. Identify the product explained here.</p> <p>A. The Potential Product B. The Augmented Product C. The Voluntary Product D. The differentiated product</p>	
9	<p>Wagon R is positioned as a compact car for the smart urban, MTR's Ready to eat foods positioned as a convenient and a ready to eat foods, Coco cola's brand globally is positioned as Taste the feeling.</p> <div data-bbox="240 699 997 926" data-label="Image"> </div> <p>The above listed examples best suits one of the below concepts</p> <p>A. Product Identification B. Product Repositioning C. Product Positioning D. Product Differentiation</p>	1
10	<p>The basic _____ is determined by the forces of demand and supply. It is fixed at the level where quantity demanded, and quantity supplied is equal.</p>	1



- A. Fixed Price
- B. Demanded Price
- C. Equal Price
- D. Equilibrium Price**

11 A book can be sold for different prices. By binding the book with attractive leather cover, the seller can demand a higher price than the ordinary book. The cost of the product will have a slight variation, but the price could have huge variation in such situations. Slightly different versions of products could be sold on high prices in the market. Identify the concept explained here.

- A. Product Variation
- B. Product Version**
- C. Product Attraction
- D. Price Variation

1

12 Break even analysis uses market demand as a basis of price determination. The formula for its calculation is _____

- A. $BEP = \frac{\text{Total Variable Cost}}{\text{Selling price per unit} - \text{Variable cost per unit}}$
- B. $BEP = \frac{\text{Total Fixed Cost}}{\text{Selling Price per unit} - \text{Variable cost per unit}}$**
- C. $BEP = \frac{\text{Total Variable Cost}}{\text{Selling price per unit} - \text{Fixed cost per unit}}$
- D. $BEP = \frac{\text{Total Cost}}{\text{Selling cost per unit} - \text{Variable cost}}$

1

13	<p>A _____ for a product is the route taken by the title to the goods as they move from the producer to the ultimate customer.</p> <p>A. marketing channel</p> <p>B. channel</p> <p>C.distribution channel</p> <p>D.intermediary</p>	1
14	<p>Post-purchase service and maintenance, financing, market information are the some of the _____ functions of the channel.</p> <p>A. Facilitating Functions</p> <p>B. Transactional Functions</p> <p>C. Post Purchase Service Functions</p> <p>D. Logistical Functions</p>	1
15	<p>A trade fair, also known as trade show, trade exhibition, or trade exposition, is an exhibition organized so that companies in a specific industry can showcase and demonstrate their latest products and services, meet with industry partners and customers, study activities of rivals, and examine recent market trends and opportunities. Today many companies of different countries try to improve their image through Trade Fairs. Which kind of promotion is explained above.</p> <p>A. Trade Fair Sales Promotion</p> <p>B. Hybrid Sales Promotion</p> <p>C. Hyper Sales Promotion</p> <p>D.Image Enhancement Sales Promotion</p>	1
16	<p>The purpose of promotion is to motivate and persuade not only the ultimate consumers, but also the intermediaries involved who make available goods finally to consumers. If the strategy adopted is to motivate and persuade the intermediaries to make effort to increase the sales. The strategy is called as _____</p> <p>A.Hard Selling Strategy</p> <p>B. Pull Strategy</p> <p>C.Push&Pull Strategy</p>	1

	D.Push Strategy	
17	<p>In this stage, the customers including business customers and distributors advertising has to be undertaken. Trade promotion may be undertaken to motivate distributors to stock the goods. Identify the stage of a product life cycle which uses the above tools of promotion mix</p> <p>A. Decline Stage B. Growth Stage C.Maturity Stage D.Introductory Stage</p>	1
18	<p>Product Mix is the list of all products offered by a company. It is defined as the composite of products offered for sale by a firm or a business. Explain the three dimensions of the product mix.</p> <p>Ans • <u>Breadth</u> is measured by the number or variety of products manufactured by a single manufacturer.</p> <ul style="list-style-type: none"> • <u>Depth</u> refers to the assortment of sizes, colors and models offered within each product line. • <u>Consistency</u> refers to the close relationship of various product lines or their end use to production requirements or to distribution channels. 	2
19	<p>What is Markup Pricing?</p> <p>Markup is the difference between the cost of a good or service and its selling price. This pricing policy is generally adopted by the resellers who obtain the product from producers or whole sellers use a percentage increase on the top of product cost to arrive at an initial price. Retailers apply a set percentage for each product category according to their marketing objectives.</p>	2
20	<p>Who are Agents? Give examples</p> <p>Agents: The agent as a marketing intermediary is an independent individual or company whose main function is to act as the primary selling arm of the producer and represent the producer to users. Agents take possession of products but do not actually own them. Agents usually make profits from commissions or fees paid for the services they provide to the producer and users. For Example: travel agents, insurance agents and the organizers of party-based selling events of Tupperware.</p>	2
21	Define ATL and BTL Communication	

	<p>Ans. Promotion can be of two types - Above-the-Line (ATL) and Below-the-Line (BTL). ATL communications use the broadcast medium and print media to reach the mass audience while BTL activities are targeted to a selective audience which might be present in a store or in a fair. There has been a gradual shift to below-the-line activities, firstly because above-the-line (ATL) activities are prohibitively expensive.</p>	2
22	<p>Creating a good public image among all the stakeholders is essential. What is called as Public Relations?</p> <p>Ans. Public Relations is a broad set of guidelines which makes use of advertising, annual reports, brochures, event sponsorships, and undertaking social projects like helping poor and environment to build or maintain a favorable image with its various publics.</p>	2
23	<p>Consumer products can be divided on the basis of the time and effort the buyer is willing to take out for the purchase of the product. Convenience Products are goods that a customer purchases frequently, with minimum effort and time to make a buying decision. Explain the three categories of convenience products with examples.</p> <p>Ans.(a) Staple Goods: The products which are purchased on a regular basis. The decision to buy the product is programmed once the customer puts the item on his list of regular purchases. Example bread, milk, eggs</p> <p>(b) Impulse Goods: The consumer purchases these without any planning or search efforts. The desire to buy impulse is a result of the shopping trip. This is why impulse products are located where they can be easily noticed. Example chocolates, magazines.</p> <p>(c) Emergency Goods: They are purchased to fulfill urgent need. The consumer ends up paying more. Examples of consumer shopping for toothbrushes or shaving blades at tourist destinations.</p>	3
24	<p>Skimming involves setting a very high price for a new product initially and to reduce the price gradually as competitors enter the market. It is remarked, launching a new product with high price is an efficient device for breaking up the market into segments that differ in price elasticity of demand. List the conditions when Skimming Pricing Policy is very effective.</p> <p>Ans. Skimming Pricing Policy is very effective under the following conditions:</p> <p>1. Where the demand is relatively inelastic, as the customers know little about the product and close rivals are few.</p>	3

	<p>2. Where the market can be broken down into segments with different price elasticity of demand.</p> <p>3. Where little is known about price elasticity of the product.</p> <p>4. Where there is minimum risk and one can move up in the prices.</p> <p>5 Where the firm is making an effort to up market“ its product so as to improve further on quality, service and expenditure on marketing costs and so capitalizes on its efforts.</p>	
25	<p>Every producer, in order to pass on the product to the consumer, is required to select a channel for distribution. The selection of the suitable channel of distribution is one of the important factors of the distribution decisions. Explain any (3) factors concerned with the consumer or the market.</p> <p>Ans.The following are the main elements concerned with the consumer or the market:</p> <ul style="list-style-type: none"> • <u>Number of Customers.</u> If the number of customers is large, definitely the services of the middlemen will have to be sought for. As against it, the products whose customers are less in number are distributed by the manufacturer himself. • <u>Expansion of the Consumers.</u> The span over which are the customers of any commodity spread over, also affects the selection of the channel of distribution. When the consumers are spread through a small or limited sphere, the product is distributed by the producer himself or his agent. As against it, the goods whose distributors are spread throughout the whole country, for such distributors, services of whole seller and the retailer are sought. • <u>Size of the Order.</u> When bulk supply orders are received from the consumers, the producer himself takes up the responsibility for the supply of these goods. If the orders are received piece-meal or in smaller quantities, for it the services of the whole seller could be sought. In this way, the size of the order also influences the selection of the channel of the distribution. • <u>Objective of Purchase.</u> If the product is being purchased for the industrial use; its direct sale is proper or justified. As against it, if the products are being purchased for the general consumption, the products reach the consumers after passing innumerable hands. • <u>Need of the Credit Facilities.</u> If, for the sale of any product, it becomes necessary to grant credit to any customer, it shall be helpful for the producer that for its distribution, the services of the wholesaler and retailer businessmen be sought. In this way, the need of the credit facilities too influences the selection of the channel of distribution. 	3

26	<p>List the differences between a Whole saler and a Retailer</p> <table border="1" data-bbox="251 178 1396 861"> <thead> <tr> <th data-bbox="251 178 820 220">Wholesaler</th> <th data-bbox="820 178 1396 220">Retailer</th> </tr> </thead> <tbody> <tr> <td data-bbox="251 220 820 304">1. Deals in large quantities and on a large scale</td> <td data-bbox="820 220 1396 304">1. Deals in small quantities and on small scale</td> </tr> <tr> <td data-bbox="251 304 820 388">2. Handles a small number of items and varieties</td> <td data-bbox="820 304 1396 388">2. Handles a large number of items and varieties</td> </tr> <tr> <td data-bbox="251 388 820 420">3. First outlet in the chain of distribution</td> <td data-bbox="820 388 1396 420">3. Second outlet in the chain of distribution</td> </tr> <tr> <td data-bbox="251 420 820 451">4. Sells to retailers and industrial users</td> <td data-bbox="820 420 1396 451">4. Sells to consumers</td> </tr> <tr> <td data-bbox="251 451 820 525">5. Receives goods from manufacturers/producers</td> <td data-bbox="820 451 1396 525">5. Receives goods from wholesalers and sometimes from the manufacturers</td> </tr> <tr> <td data-bbox="251 525 820 598">6. Location of a wholesaler's shop is not very important</td> <td data-bbox="820 525 1396 598">6. Location of retailers's shop near the residential areas is very important</td> </tr> <tr> <td data-bbox="251 598 820 682">7. Window display is not very important</td> <td data-bbox="820 598 1396 682">7. Window display is a must to attract customers</td> </tr> <tr> <td data-bbox="251 682 820 766">8. Sells at a very low margin of profit as turnover is very fast</td> <td data-bbox="820 682 1396 766">8. Sells at a higher margin of profit as he has to spend on window display and pay higher rent for accommodation in a central place</td> </tr> <tr> <td data-bbox="251 766 820 861">9. Do not provide after-sale service</td> <td data-bbox="820 766 1396 861">9. Provide after-sale service</td> </tr> </tbody> </table>	Wholesaler	Retailer	1. Deals in large quantities and on a large scale	1. Deals in small quantities and on small scale	2. Handles a small number of items and varieties	2. Handles a large number of items and varieties	3. First outlet in the chain of distribution	3. Second outlet in the chain of distribution	4. Sells to retailers and industrial users	4. Sells to consumers	5. Receives goods from manufacturers/producers	5. Receives goods from wholesalers and sometimes from the manufacturers	6. Location of a wholesaler's shop is not very important	6. Location of retailers's shop near the residential areas is very important	7. Window display is not very important	7. Window display is a must to attract customers	8. Sells at a very low margin of profit as turnover is very fast	8. Sells at a higher margin of profit as he has to spend on window display and pay higher rent for accommodation in a central place	9. Do not provide after-sale service	9. Provide after-sale service	3
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27	<p>Explain Off-the Shelf Offers with examples</p> <p>Off-the Shelf Offers: The leading off-the-shelf offers can be:</p> <ul style="list-style-type: none"> • Free Accommodation: Particularly for hotel industry, the offer now extends to be “two nights for price of one. • Holiday Vouchers: Some companies give cash discount, traveler cheques, duty-free shopping voucher, etc. • Discount coupons: In India firms like include Snapdeal.com, Sodexo provide discount coupons which can be redeemable. Snapdeal.com provides discount vouchers for health and beauty, entertainment and adventures, mobiles, apparel, lifestyle, electronics and travel categories. • Two-for One Flights: Especially budget airlines offer this facility. • Insurance Offers: Mostly the car manufacturers provide free insurance for the first year as part of sales promotion during slack season. 	3																				
28	<p>Packaging is an important component of a product as an attractive pack is the most important factor in impulse purchases. The basic functions of a pack are to attract the potential customer's attention, protect the product that is packed and reveal its identity. Explain the four types of packaging in detail.</p> <p>Ans. There are four types of packages:</p>	5																				

	<p>(i) A consumer package (ii) a bulk package, (iii) an industrial, and (iv) a dual usage package. They are as discussed.</p> <p>(1) A consumer package is one which holds the required volume of a product for ultimate consumption is economical and can be easily purchased by the consumer. He has the option to purchase the pack size which he considers adequate for the consumption for his family over a length of time and does not involve additional investment during that period.</p> <p>(2) A bulk package is either for the consumer whose consumption is large or is bought to save cost. Example: oil cans etc. The consumer package itself very often requires an outside package in which it is transported, and which is sometimes referred to as transit package or an out container. (3) An industrial package can be a bulk package for durable consumer goods. These are the basic package types although many sub-divisions can be listed, e.g., strip package, multiple packages, etc., which can all be broadly listed under these basic headings.</p> <p>(4) A dual use package is one which possesses a secondary usefulness after its contents have been consumed. Drinking glasses, boxes of Jewellery or cigarettes, plastic containers, refrigerator dishes, bags from flour and feed sacks are the examples.</p>	
29	<p>Explain various external factors to be kept in consideration while deciding price of a product.</p> <p>Ans. External factors are forces which are beyond control of the firm. A firm cannot alter or change these factors or forces for its advantage. These factors can be discussed as following</p> <p>1. Demand: The market demand for a product has a direct impact on its pricing. Since demand is affected by prospective buyers, their incomes, tastes, and preferences etc., they should be taken into account while making decision of pricing. For an instance if the demand for a product is inelastic, as in case of necessity goods, a high price may be fixed. But if the demand for a product is elastic, i.e., changeable in response to change in price, the firm should not fix higher prices; rather fix lower prices to grab major market share.</p> <p>2. Buyers' behaviour: Buyers' behavior also affects the pricing decisions. If they are habitual of the product the price may be fixed high. Similar pricing decisions are taken by the firm, if buyers have a particular perception of the product being a symbol of prestige/ status, or utility, e.g., luxury cars.</p> <p>3. Competition: Market-competition plays a crucial role in pricing. In a highly competitive market, a seller's objective is to give maximum utility at minimum-possible price. Each firm tries to outsell others offering lesser price and better-quality products in the market. Therefore, prevailing information</p>	5

	<p>about what price the competitors are charging for similar products and what possibilities exist for increasing/decreasing price also affect pricing.</p> <p>4. Raw Material or Input suppliers: Pricing decisions take into consideration three parties</p> <p>: the supplier of raw material, the manufacturer, and the final consumer. If the supplier charges a high price for inputs, the manufacturer shifts this burden to the consumer by charging a higher price for the final product. On the other hand, if a manufacturer is making large profit on a particular product, suppliers will also try to cash in on these profits by charging a higher price for the raw material. When this happens, the manufacturer would only want to absorb the additional cost and not increase the prices further.</p> <p>5. Prevalent Economic Conditions: During a boom-period in the economy, when marketconditions are favorable due to „bullish attitude“ or inflationary trend, firms can afford to fix higher prices of their products. On the other hand, during slump-period when marketconditions are un-favourable due to „bearish attitude“, firms have to lower the prices of products to keep the business going and to clear off their old stocks.</p> <p>6. Government Regulations: If Government policies exert regulatory pressures, promote anti-price rise sentiment etc., then the companies cannot fix a higher price to capture the market. On the other hand, if government policies are supportive and promote businesses through healthy competition in the market, then firms can fix higher prices.</p>	
30	<p>There is no perfect promotion mix. Everyone has to devise a mix depending upon the situation. It has to be tailor-made depending upon the characteristics of the situation. Explain Push and Pull Strategies in detail.</p> <p>Ans.Push and Pull Strategies: The purpose of promotion is to motivate and persuade not only the ultimate consumers, but also the intermediaries involved who make available goods finally to consumers. <u>If the strategy adopted is to motivate and persuade the intermediaries“ to make effort to increase the sales the strategy is called push strategy.</u> The push strategy is closely related to the “Selling Concept”. It emphasizes more of personal selling (hard selling) along with advertising and other trade promotional measures. The manufacturer promotes goods to wholesalers, wholesalers in turn promote to the retailers and retailers persuading the consumers to buy.</p> <p>On the other hand, <u>the pull strategy emphasizes on consumers.</u> If the customer demands particular goods from the retailer and the retailers want the same from the wholesalers and the wholesalers in turn asking the manufacturers to provide that kind of goods. Thus, here it is the customer to wholesaler who is pulling the</p>	5

cord. The advertising by the manufacturer may persuade the consumer to ask for the goods to their retailers. Retailers in turn will ask the wholesalers and the wholesalers to manufacturer.

The pull strategy works well during recession. The marketing manager will have to decide whether to use push or pull strategy. Customer-targeted marketing communications are pull type communications. The objectives of pull marketing communication are to build awareness, attraction, and loyalty and to reduce search costs.

On the other hand, push communications are directed at channel intermediaries. The objective is to motivate channel intermediaries to carry certain products to make available to customers. If successful, push communication strategies result into a wider range of availability, fewer stock-outs, greater merchandising (shelf space), and a greater marketing effort than would have been achieved with little or no push communication. However, to be more successful, a combination of the two is required.