

Marketing mix: product and price

Total Time: 10 min

Total marks: 10

1. Which of the following statements best describes the marketing mix? (1)
 - a) It combines all the elements that are important in marketing.
 - b) It will guarantee the success of a product.
 - c) **It is for decisions that a business must take to market a product effectively.**
 - d) It is not important for the marketing of industrial goods.

2. This P is not a part of the 4Ps of marketing mix? (1)
 - a) Promotion
 - b) Price
 - c) People
 - d) **Purpose**

3. The term marketing mix also describes: (1)
 - A. a composite analysis of all environmental factors inside and outside the firm.
 - B. a series of business decisions that aid in selling a product.
 - C. the relationship between a firm's marketing strengths and its business weaknesses.
 - D. a blending of strategic elements to satisfy specific target markets.**

4. Define the term 'Unique selling point'. (1)

A unique selling proposition (USP) refers to the unique benefit exhibited by a company, service, product or brand that enables it to stand out from competitors.

5. Fill in the blank:

A brand name is the name given by a business to its product or range of products and creating a **Brand image** increases a business's sales and revenues.

(1)

6. Compare and contrast two benefits and costs of new product development. (4)

Benefits:

1. Revenue Generation:

By introducing a new product, the company aims to tap into a previously untapped market or expand its share in an existing one. The projected increase in sales and market share can contribute significantly to revenue growth.

2. Brand Enhancement and Customer Loyalty:

A successful new product can enhance the company's brand image, signaling innovation and responsiveness to customer needs. Satisfied customers are likely to become repeat buyers and brand advocates, contributing to long-term loyalty.

Costs:

1. Research and Development (R&D) Expenses:

The costs associated with researching, designing, and developing the new product can be substantial. This includes expenses for hiring skilled professionals, acquiring technology, and conducting market research.

2. Marketing and Launch Costs:

Effectively promoting and launching a new product involves marketing expenses such as advertising campaigns, promotions, and distribution efforts. This can be a significant upfront cost that is necessary to create awareness and generate initial sales.