

BUSINESS ADMINISTRATION.

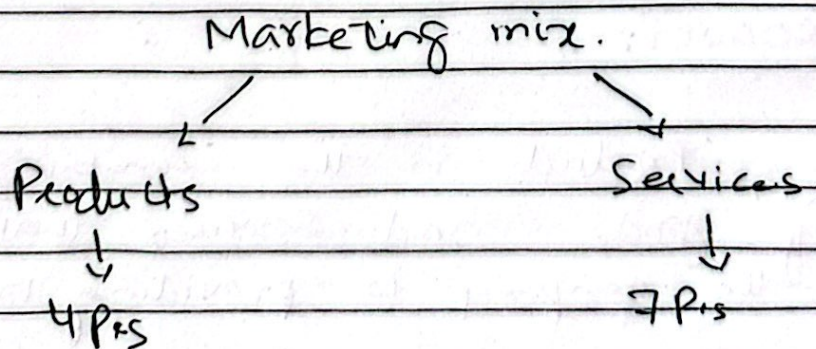
FINAL MOCK.

QUESTION # 3:

What do you . . . company?

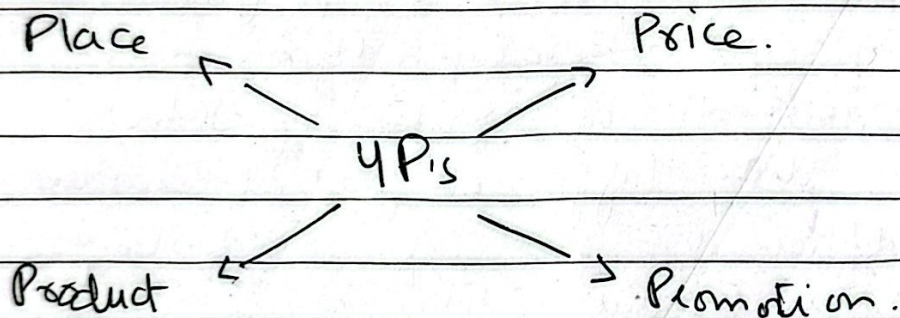
Ans: MARKETING MIX:

Marketing mix is one the oldest concept of marketing. Marketing mix are the elements needed to execute a perfect marketing of a product. These are ingredients of marketing, like in a dish. Different product requires different types of marketing mix. Product and services require different types of marketing mix. The businesses should use the blend of marketing mix very efficiently in order to execute a good marketing.



MARKETING MIX FOR PRODUCT SELLING BUSINESSES:

The marketing mix for product selling businesses are very different from service providing businesses. The concept of 4Ps is older as compared to the 7Ps of service providing businesses. Following are the 4Ps of product selling businesses.



4Ps:

Following are the 4Ps related to product selling businesses.

2. PRODUCT:

Product is the combination of goods and services that the company is providing to its

customers.

2. PRICE:

This is the amount of money req^d that the customer is demanded to exchange in return of the product or service.

3. PLACE:

The place where the buying and the selling of the goods will take place. Buying by the customer and selling by the company.

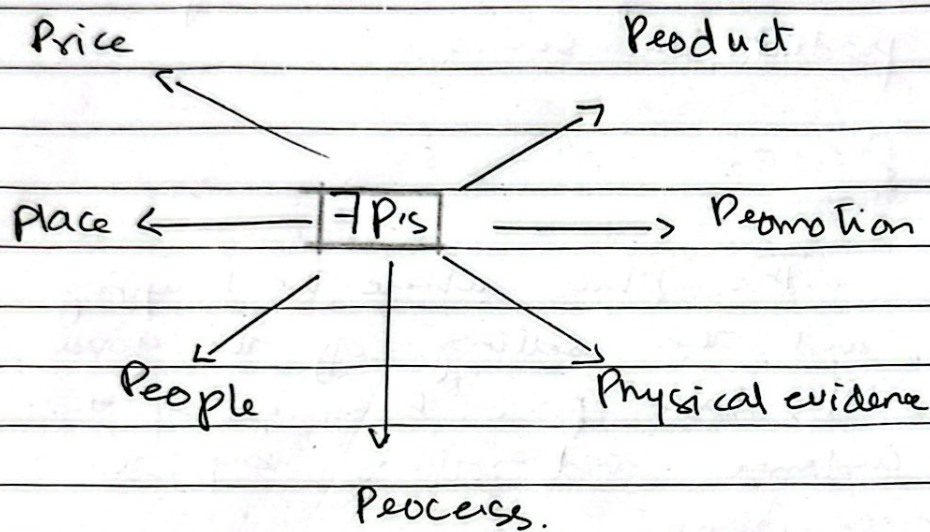
4. PROMOTION:

These are the efforts taken by the company to promote the sales of the product in order to increase sales.

These are the 4Ps related to the 4Ps marketing mix of product selling business.

SERVICES PROVIDING BUSINESSES:

The first 4 elements of marketing mix for services providing businesses are the same but with an addition of 3 more.



7Ps,

Following are the 7Ps of marketing mix for service providing businesses.

1. Price.
2. Product.
3. Place.
4. Promotion.
5. Physical evidence

DATE: ___/___/___

6. People.

7. Process.

The last 4 are the same.

B. PROCESS:

This is the process related to the providing of services. This is a very essential part of the marketing mix, as many customers are curious to know.

6. PEOPLE:

What people are included in the providing of services; the delivery man, the customer service provided etc.

7. PHYSICAL EVIDENCE:

Customers are eager to see the physical evidence of your service providing business. It should not only be an online store, must be a physical entity as well. This increases the trust of the customers.

CONCLUSION: INCREASING SALES:

Every single element of the marketing mix has its own significance. All are needed for properly executing the marketing of a product or service. The marketing mix for service providing businesses are more as compared to that of product providing. Marketing's sole purpose is to increase the profitability. Marketing mix are the elements that if used properly can increase the sale of the business. The blend of the marketing mix is very important to increase the profitability and sales.

QUESTION #5:What is integrated ... components.

Ans:

INTEGRATED MARKETING COMMUNICATION

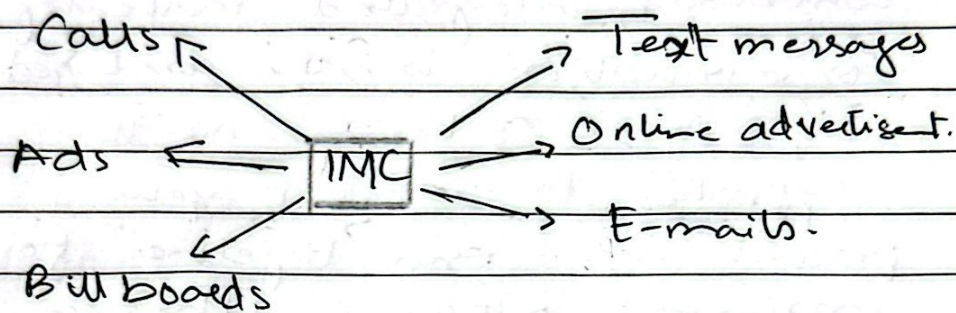
The word integrated means combined, integrated marketing communication is the combined way of marketing. All the approaches to market your product are used together for maximum outcomes. This is a very important approach to reach the customer, as customers see millions of ads daily and in order to make them remember your products marketing, it works very well.

IMPORTANCE OF IMC:

IMC is very important in the marketing of a product. If one wants his product to stand out as compared to other products. As it leaves marks in the mind of the customer.

COMBINED ALL APPROACH:

IMC is an approach in which all ways of communication to the customer are combined and used.

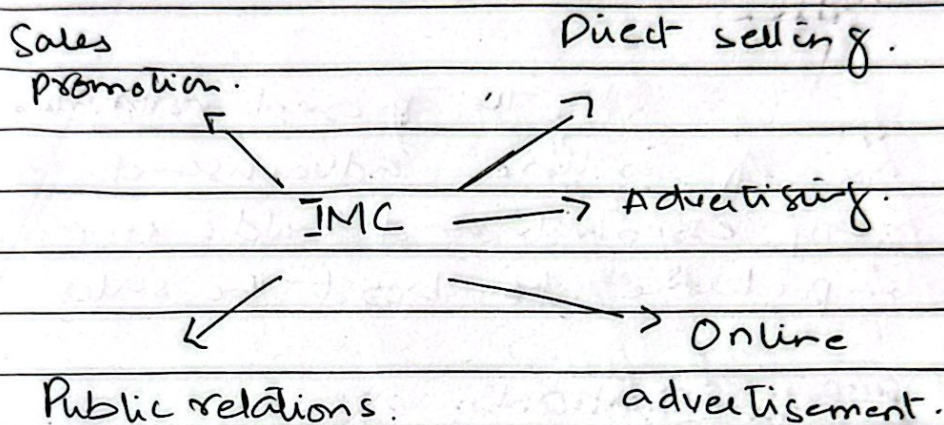


In addition to these other methods of communication are also used all at once to convey the marketing of a specific product to the customer. Following are all used at once.

1. Calls.
2. Messages.
3. E-mails.
4. Billboards.
5. Television.
6. Online ads.
7. Radio advertisement.

COMPONENTS OF IMC:

There are many components of IMC. Following are the main components used in integrated marketing communication.



Following are the components of IMC.

1. DIRECT SELLING:

Direct selling approach is the approach in which the product is directly sold to the customer.

2. SALES PROMOTION:

In IMC, sales promotion

are the activities that add extra incentive to the sales.

Increasing sales means more benefits to the customer and even the retailer.

3. ONLINE ADVERTISING:

In the present world, the use of online advertising is very essential and holds immense importance to boost the sales.

4. PUBLIC RELATIONS:

Good public relations are very important for IMC. As good public relation lay the foundation of good product sales.

5. ADVERTISING:

Advertising is also an important component of IMC as it directly boosts up the marketing and sales of the products.

BENEFITS OF IMC.

Remains in the
mid of consumer.

Competitive
edge.

Benefits.

Easier to execute

No planning
required.

Following are the benefits
of IMC:

1. COMPETITIVE EDGE

IMC provides a competitive edge to you as compared to your competitor. As it is more likely to stay in the minds of consumer.

2. EASIER TO EXECUTE.

IMC is very easy to execute as no difficulty is in its process.

3. NO PLANNING REQUIRED:

No proper planning or strategy is required to

to execute IMC.

4. REMAINS IN THE MIND OF CUSTOMER:

IMC remains in the minds of the customer. Normal advertisements are seen by the customer hundreds of times in a day. But if all sorts / ways of marketing are combined, it will be more obvious to stay in the mind of the customer.

QUESTION # 8:

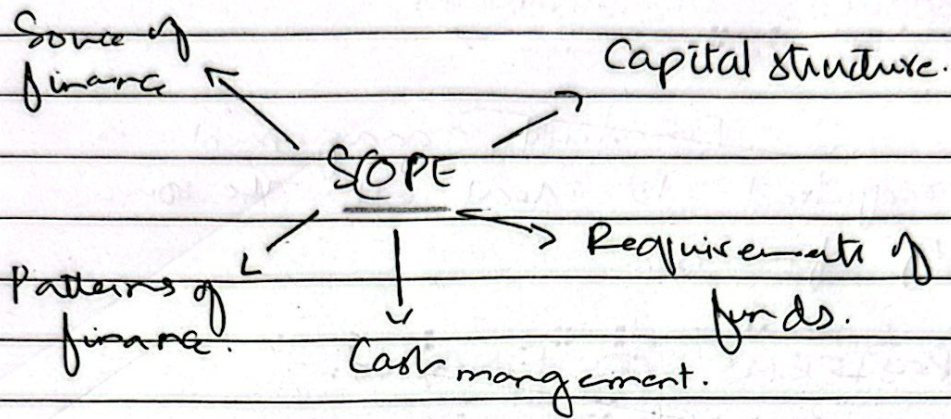
(A) Discuss the financial securities?

Ans: FINANCIAL MARKETS: MANAGEMENT.

Financial management is the type of management which deals directly with the allocation, distribution of funds. It is the efficient and effective management of funds in such a manner as to accomplish the objectives of the firm.

DATE: ___/___/___

SCOPE OF FINANCIAL MANAGEMENT:



Following are the areas of scope of financial management.

1. CASH MANAGEMENT:

Financial manager is required to manage the cash. The field of financial management deals with the allocation of cash.

2. CAPITAL STRUCTURE:

Capital structure is the financial capital under which the business works.

3. REQUIREMENT OF FUNDS.

It is the job of financial

manager to allocate funds.

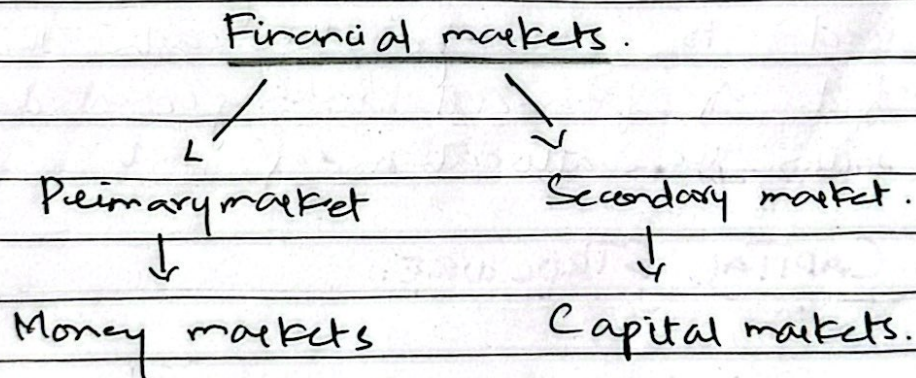
4. SOURCES OF FINANCE:

Financial management is required to deal with the sources of finance.

5. PATTERNS OF FINANCE:

In what pattern, the financing will be is the task of the financial manager.

FINANCIAL MARKETS:



Financial markets are any type of market in which the selling and buying of assets take place from bonds to currencies.

DATE: ___/___/___

TYPES:

There are 2 types of financial markets primary and secondary. Primary market consists of the money market while the secondary markets consist of capital market.

2. MONEY MARKET:

Money markets are the markets where buying and selling of asset with maturity less than 1 year takes place, even the asset matures overnight but mostly in the time of 3 months.

EXAMPLES:

1. Certificate of deposits.
2. Treasury bill, etc.

2. CAPITAL MARKET:

This is the type of financial markets in which the selling and buying of long term maturity asset takes place. Usually

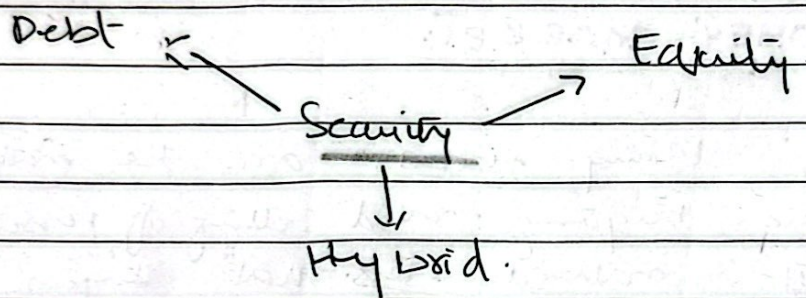
DATE: ___/___/___

more than 2 year.

EXAMPLE.

1. Bond market.
2. Stock market.

TYPES OF FINANCIAL SECURITIES.



2. EQUITY SECURITY:

Equity security shows/represents ownership in an entity.

2. DEBT SECURITY:

Debt securities are financial instruments that show borrowed money.

3. HYBRID:

Hybrid security are a combination of both debt and equity.

DATE: ___/___/___

(B) ABC ... return?

(i)

0	Initial cash outflow.	750 000.
1	outflow	1000 000.
2	inflow	250 000
3	inflow	300 000
4	inflow	350 000
5	inflow	400 000
6	inflow	400 000
7	"	400 000
8	"	400 000
9	"	400 000
10	"	400 000.

NPV = ? , RRR = 15%.

SOLUTION:

NPV = Initial cash outflow - Inflow

→ First of all we will discount all the cash flows. and find the PV of FCs.

$$\begin{aligned} \text{Year 1} &= \frac{1000\ 000.}{(1+0.15)^1} \\ &= 869,565.21 \end{aligned}$$

DATE: ___/___/___

$$\text{Year } 2 = \frac{250000}{(1+0.15)^2} = 189,035.91.$$

$$\text{Year } 3 = \frac{300000}{(1+0.15)^3} = 197,254.8$$

$$\text{Year } 4 = \frac{350000}{(1+0.15)^4} = 200113.6.$$

$$\text{Year } 5 = \frac{400000}{(1+0.15)^5} = 198,870.6$$

$$\text{Year } 6 = \frac{400000}{(1+0.15)^6} = 172931.03$$

$$\text{Year } 7 = \frac{400000}{(1+0.15)^7} = 150374.8$$

$$\text{Year } 8 = \frac{400000}{(1+0.15)^8} = 130760.7$$

$$\text{Year } 9 = \frac{400000}{(1+0.15)^9} = 113,704.9$$

$$\text{Year } 10 = \frac{400000}{(1+0.15)^{10}} = 98873.88$$

$$\text{Total inflows.} = \underline{1,451,919.31.}$$

$$\text{NPV} = \text{PV of outflows} - \text{PV of inflows.}$$

$$= \cancel{700000} + \cancel{869,365.21} - (1,451,919.31)$$

$$1,451,919.31 - 700,000 + 869,565$$

$$\text{NPV}_B = \cancel{1,176,455.9} \rightarrow \text{Net present value.}$$

$$- 117,645.9 \rightarrow \text{value.}$$

→ No it is unacceptable as the NPV is positive. Negative.

DATE: ___/___/___

(B) IRR = ?

$$IRR = r_a + \frac{NPV_a}{NPV_a - NPV_b} (r_b - r_a)$$

↓ we use RRR to get a positive NPV.
RRR = Sr, r_a

$$1 = \frac{1000000}{(1.05)^1} = 952,380$$

$$2 = \frac{250000}{(1.05)^2} = 226,757$$

$$3 = \frac{300000}{(1.05)^3} = 259,151$$

$$4 = \frac{350000}{(1.05)^4} = 287,945.8$$

$$5 = \frac{400000}{(1.05)^5} = 313,410$$

$$6 = \frac{400000}{(1.05)^6} = 298,426$$

$$7 = \frac{400000}{(1.05)^7} = 284,272$$

$$8 = \frac{400000}{(1.05)^8} = 270,735$$

$$9 = \frac{400000}{(1.05)^9} = 257,843$$

$$10 = \frac{400000}{(1.05)^{10}} = 245,565.$$

Total.

2444164.

$$NPV_a = 2444164 - (700000 + 952380) \\ = 791,784.$$

$$NPV_b = -117645 @ 15\%$$

DATE: ___/___/___

$$IRR = r_a + \frac{NPV_a}{NPV_a - NPV_b} (r_b - r_a)$$

$$= 5\% + \frac{791784}{791784 - (-117645)} (15\% - 5\%)$$

$$= 0.05 + \frac{791784}{909429} (0.10)$$

$$= 0.05 + 0.870 (0.10)$$

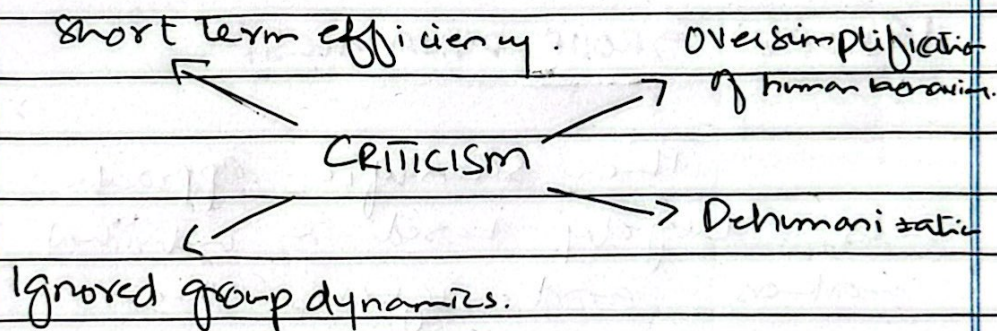
$$IRR = 0.137 \text{ or } 13.7\%$$

QUESTION #4:

What criticism... approach?

SCIENTIFIC APPROACH:

The scientific approach to management was pioneered by F.W Taylor. It focuses on improving the productivity through systematic study and task measurements, along with optimizing efficiency by analysing and refining workflows.

**CRITICISMS ON SCIENTIFIC APPROACH:**

The scientific approach is criticised by the following ways.

2. **OVER SIMPLIFICATION OF HUMAN BEHAVIOUR:**

Taylor's scientific approach

is of the view that humans are only motivated by money.

2. DEHUMANIZATION OF WORKERS:

Scientific approach is criticised to treat workers like machines.

3. SHORT TERM EFFICIENCY:

The emphasis of scientific approach is on short term productivity.

4. IGNORE GROUP DYNAMICS:

The scientific approach is largely based on individual workers and ignores the productivity achieved by group work.

5. RIGID STRUCTURE:

Scientific approach is not flexible.

COMPARISON.

SCIENTIFIC APPROACH

BEHAVIORAL APPROACH.

- | | |
|--|--|
| 1. Assumes that people are motivated through monetary rewards. | Focuses on motivation; job satisfaction, actualization and growth. |
| 2. Workers are seen as machines. | Workers are viewed as individuals with different mindsets. |
| 3. The decision making is hierarchical. | Emphasizes on the participation of workers. |
| 4. Work place is often rigidly structured. | Focuses on creating a positive work environment. |
| 5. Emphasis mainly on productivity. | Suggests that productivity is also tied to the happiness of workers. |