

QB365 Question Bank Software Study Materials

Concept of Market and Marketer Important 2,3 & 5 Marks Questions With Answers (Book Back and Creative)

12th Standard

Commerce

Total Marks : 75

2 Marks

10 x 2 = 20

1) What is Market?

Answer : (i) The word market is derived from the Latin word 'Marcatus' which means trade, commerce, merchandise, a place where business is transacted

(ii) The common usage of market means a place where goods are bought or sold. In simple words, the meeting place of buyers and sellers in an area is called market

2) Define Marketer.

Answer : Ans. According to Business dictionary "A person whose duties include the identification of the goods and services desired by a set of consumers, as well as the marketing of those goods and services on behalf of the company".

3) What is meant by Regulated Market?

Answer : These are types of markets which are organised, controlled and regulated by statutory measures. Example : Stock Exchange of Chennai, Mumbai, Kolkata, etc.

4) What is meant by Commodity Market?

Answer : Ans. A commodity market is a place where produced goods or consumption goods are bought and sold.

5) What is meant by Spot market?

Answer : In such markets, goods are exchanged and the physical delivery of goods takes place immediately.

6) Mention any four differences between Wholesale Market and Retail market?

Answer :

S.NO	WHOLESALE MARKET	RETAIL MARKET
1.	Wholesale market is a link between manufacture and retailer	Retail market is a link between wholesaler and ultimate consumer
2.	Wholesale market buys in large quantities from the manufacturers	Retail market buys in small quantities from the wholesalers.
3.	Wholesale market deals one line of products.	Retail market deals in different types of products
4.	Business spread to different areas	Business located in particular place of area.

7) Write a Definition of market.

Answer : According to Pyle, "Market includes both place and region in which buyers and sellers are in free competition with one another.

8) What is a market?

Answer : According to Pyle "Market includes both place and region in which buyers and sellers are in free competition with one another.

9) This type of market deals with the purchase or sale of gold and silver. Name the type of Market?

Answer : Bullion Market

10) There is a daily flower market in Tamil Nadu. Write the place name

Answer : Hosur

3 Marks

10 x 3 = 30

11) What can be marketed in the market? (any 3)

Answer : The dynamic items that can be marketed are listed below:

- (i) Goods
- (ii) Services
- (iii) Experiences
- (iv) Events
- (v) Persons
- (vi) Places
- (vii) Properties
- (viii) Organisations
- (ix) Information
- (x) Ideas

12) Mention any three roles of Marketer.

Answer : (i) Instigator : As an instigator, marketer keenly watches the developments taking place in the market and identifies marketing opportunities emerging in the ever-changing market. In such a case, marketer plays an instigator and leads the business towards new directions.

(ii) Innovator : Marketer seeks to distinguish his products/services by adding additional features to the existing product. He also does modifying the price structure, introducing new delivery pattern, creating new business models etc.

(iii) Integrator : Marketer plays a role of integrator in the sense that he collects feedback or vital inputs from channel members and consumers and provides products/service solutions to customers/consumers by co-ordinating multiple functions of organisation.

13) Explain the types of market on the basis of time.

Answer : (i) Very short period market : Markets which deal in perishable goods like fruits, milk, vegetables, etc. are called very short period market.

(ii) Short period market : In certain goods, supply is adjusted to meet the demand. The demand is greater than supply. Such markets are known as short period market.

(iii) Long period market : This type of market deals in durable goods, where the goods and services are dealt for longer period usages.

14) Marketer is an innovator. Do you agree?

Answer : Yes, Marketer seeks to distinguish his products/services by adding additional features or functionalities to the existing product, modifying the pricing structure, introducing new delivery pattern, creating new business models, introducing change in production process and soon.

15) What is the need for market?

- Answer :**
- (i) To exchange goods and services
 - (ii) To adjust demand and supply by price mechanism.
 - (iii) To improve the quality of life of the society
 - (iv) To introduce new modes of life
 - (v) To develop product by enhancing market segment.

16) What are the types of capital markets?

Answer : (i) **Money market:** It is a type of market where short term securities are exchanged. It provides short term and very short term finance to industries, banks, governments agencies and financial intermediates.

(ii) **Foreign exchange market:** It is an international market. This type of markets helps exporters and importers, in converting their currencies into foreign currencies and vice versa.

(iii) **Stock market:** This is a market where sales and purchases of shares, debentures, bonds etc. It is also known as securities market.

17) Explain the terms spot market and future market.

Answer : (i) **Spot market:** In such markets, goods are exchanged and the physical delivery of goods takes place immediately.

(ii) **Future market:** In such markets, contracts are made over the price for future delivery. The dealing and settlement take place on different dates.

18) How the market can be classified on the basis of importance?

Answer : (i) **Primary market:** The primary producers of farm sell their output or products through this type of markets to wholesales or consumers.

(ii) **Secondary market:** In this market, the semi finished goods are marketed. Here finished goods are not sold. The commodities arrive from other markets.

(iii) **Terminal market:** It is a central site that serves as an assembly and trading place for commodities in a metropolitan area.

19) Why customer support is needed to market?

Answer : (i) Customer behavior is not static in nature. It may change any time.

(ii) If buyers are available only then the goods would be able to trade in the market.

(iii) Market is a place where buyers and seller meets.

(iv) Unless there is customer support in the market there is no use of marketing strategy.

20) What do you mean by bullion market?

Answer : (i) This type of market deals with the purchase or sale of gold and silver.

(ii) Bullion markets of Mumbai, Kolkata, Kanpur, etc., are examples of such markets.

5 Marks

5 x 5 = 25

21) How the market can be classified? (any 5)

Answer : The market can be classified as follows:

I. On the basis of Geographical area :

- a. Family market
- b. Local market
- c. National market
- d. International market or world market

II. On the basis of commodities /Goods :

a. Commodity market :

- (i) Produce Exchange market
- (ii) Manufactured goods market
- (iii) Bullion market

b.Capital markets :

- (i) Money market
- (ii) Foreign Exchange market
- (iii) The stock Exchange market

III. On the basis of Economics :

- (i) Perfect market
- (ii) Imperfect market

IV.On the basis of Transaction:

- (i) Spot market
- (ii) Future market

V. On the basis of regulation:

- (i) Regulated market
- (ii) Unregulated market

VI. On the basis of time :

- (i) Very short period market
- (ii) Short period market
- (iii) Long period market

VII. On the basis of volume of business :

- (1) Wholesale market
- (2) Whole sale market

VIII.On the basis of importance :

- (i) Primary market
- (ii) Secondary market
- (ii) Terminal market

22) How the market can be classified on the basis of Economics?

Answer : On the basis of Economic the market can be classified into (a) Perfect market (b) Imperfect market

(a). Perfect market: A market is said to be a perfect market, if it satisfies the following conditions:

- (i) Large number of buyers and sellers.
- (ii) Prices should be uniform throughout the market.
- (iii) Buyers and sellers have a perfect knowledge of market.
- (iv) Goods can be moved from one place to another without restrictions.
- (v) The goods are identical or homogeneous. It should be remembered that such types of markets are rarely found.

(b). Imperfect market: A market is said to be imperfect when:

- (i) Products are similar but not identical
- (ii) Prices are not uniform
- (iii) There is lack of communication
- (iv) There are restrictions on the movement of goods.

23) What is your contribution to promote the market in the modern society

- Answer :** (i) My contribution to promote the market in modern society is new technologies promote efficiency
(ii) The ability to turn ideas into new products and services that people need is the fount of prosperity for any developed country.
(iii) On the basis of different approaches market have been classified on the basis of Area, Nature of goods and Economic view, transaction. Regulation, time, volume and importance.
(iv) To improve the quality of life of the society.
(v) To introduce new models of life.
(vi) To develop product by encompassing market segment

24) Explain briefly capital Market.

Answer : New or going concerns need finance at every stage. Their financial needs are met by capital market. They are of three types:

1. Money market
2. Foreign Exchange market
3. The Stock market

1. Money Market

- (i) It is a type of market where money is borrowed or lent.
- (ii) This type of market helps the public to invest their surplus fund in industrial concerns and helps people to take loans through banks.
- (iii) London is the world's biggest money market.

2. Foreign Exchange Market

- (i) It is an international market.
- (ii) This type of market helps exporters and importers, in converting their currencies into foreign currencies and vice versa.

3. The Stock Market

- (i) This is a market where sales and purchases of shares, debentures, bonds etc. of companies are dealt with.
- (ii) It is also known as Securities market.
- (iii) Stock Exchanges of Mumbai, Kolkata, Chennai, etc., are examples for this type of market

25) What do you mean by the market on basis of importance?

Answer : Primary Market

- (i) The Primary producers of farms sell their output or products through this type of market to wholesalers or consumers.
- (ii) Such markets can be found in villages and mostly the products arrive from villages.

Secondary Market

- (i) In this market, semi-finished goods are marketed.
- (ii) Here finished goods are not sold.
- (iii) The commodities arrive from other markets.
- (iv) The dealings are commonly between wholesalers or between wholesalers and retailers.

Terminal Market

- (i) It is a central site that serves as an assembly and trading place for commodities in a metropolitan area.
- (ii) For agricultural commodities, these are usually at or near major transportation hubs.