



Central Board of Secondary Education

MARKETING



Class VI

Preface

This Book on Marketing has been carefully curated for a 6th grade CBSE student. The idea behind this book was to introduce marketing and business to the young and innovative minds of children in India and abroad. Chapters of this book have been carefully framed to give students a step-by-step insight into the world of marketing.

Chapter 1 deals with the basics of marketing by introducing the concept of a supply chain mechanism to a student. It focuses on the different roles that people play in order to jointly constitute what is collectively known as a supply chain. The Chapter also seeks to differentiate between a consumer and a customer by highlighting key differences between the same.

Chapter 2 classifies the market on the basis of three parameters; i. geographical location, ii. the volume of sales and iii. type of consumption. This chapter teaches the student the different kinds of markets that exist and explain their specific roles and purposes.

Chapter 3 introduces the student to market functions and its importance. This chapter seeks to explain the different characteristics and features of a market. It also highlights the inherent importance of a market and its role in society and modern-day life.

Chapter 4 focuses on marketing as a concept, it aims to teach the student the meaning of marketing and effectively explain the inherent benefits of successfully marketing a product or service to potential customers/consumers.

This specially curated course curriculum also includes various projects and activities that need to be conducted by teachers in order to efficiently and effectively explain and impart marketing and market-based concepts to the students.

We hope the students enjoy this course and learn these concepts in an innovative and fun manner, through stories, live examples and pictorial representations apart from standard definitions and explanations.

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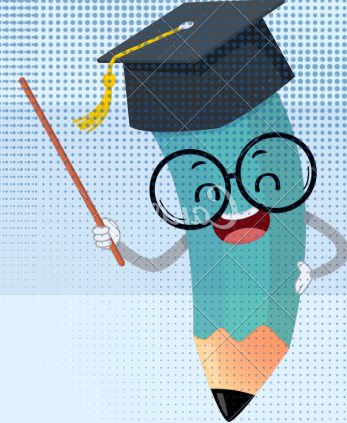
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Unit-1



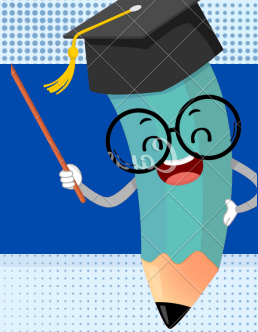
Basics of Market

The objective of this unit is to give an elementary understanding about markets to the students.

Location	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training
Classroom and Field visit	To understand the roles and functions of different levels of the supply chain	To learn and understand the different stages to the production of a good	Explain the meaning and features of <ol style="list-style-type: none"> 1. Supplier 2. Manufacturer 3. Wholesaler 4. Retailer 5. Customer 6. Consumer 	<ul style="list-style-type: none"> • Interactive Lecture • Quiz • Visit to manufacturing plant, whole sale market and retail stores
Classroom	To understand the difference between consumer and customer	To learn and understand the difference between consumer and customer in a market	Explain the meaning and features of <ol style="list-style-type: none"> 1. customer 2. consumer 3. Wants of a customer/consumer 4. Needs of a customer/consumer 	<ul style="list-style-type: none"> • Interactive Lecture • Experiential Learning • Role play & Dramatics.
Classroom and Field visit	To understand the difference between a good and a service	To learn and understand the difference between a good and service	Explain the meaning of <ol style="list-style-type: none"> 1. Good 2. Service 	<ul style="list-style-type: none"> • Interactive Lecture • Art Integrations • Poster Making • Quiz



The Chocolate Factory



Arjun, a 14-year-old from Barrackpore in the outskirts of Calcutta was in for a pleasant surprise when his school decided to organise a field trip to his favourite chocolate's factory. Arjun thought to himself, this would be the first time he would actually see how this amazing chocolate was made! Arjun saved up weekly a sum of Rs. 10 to purchase his favourite chocolate from a local street stall (vendor). Arjun and his friends reached school early the next day to board the bus for their field trip. After an hour of travel, the students reached a huge factory with its chimneys huffing. Their teacher Ms. Anita explained that this was where the Chocolates were manufactured. Arjun's favourite chocolate bar was made from a mixture of milk, coco powder and nuts! A golden trio according to Arjun. Outside the factory was a large line of trucks being filled with boxes and boxes of chocolates! Ravi, a friend of Arjun asked Ms. Anita about the trucks. Ms. Anita replied, these trucks are called suppliers, they transport the finished product to wholesalers and retailers.

Arjun - Who are these wholesalers and retailers Ma'am?

Anita - Wholesalers are people who buy chocolates in large quantities and then distribute them to retailers. Retailers are the shops you see in your neighbourhood.

Ravi - Do retailers include street carts as well?

Anita - No Ravi, those are vendors, they sell products as well, but at a much smaller level.

Anita - Retailers are the markets you find near your home; they are also called brick and mortar stores. Your parents buy monthly supplies from these stores, which make your parents, buyers. Okay Ravi, if your parents are buyers, what are the retailers?

Ravi - They are sellers Ma'am

Anita - Very good Ravi! And Arjun, what does that make you then?

Arjun - The 'eater' Ma'am!

Anita - No, no, Arjun, the correct term is Consumer, you are the final beneficiary of the chocolate, aren't you?

Arjun - Yes ma'am!



Successful Marketing



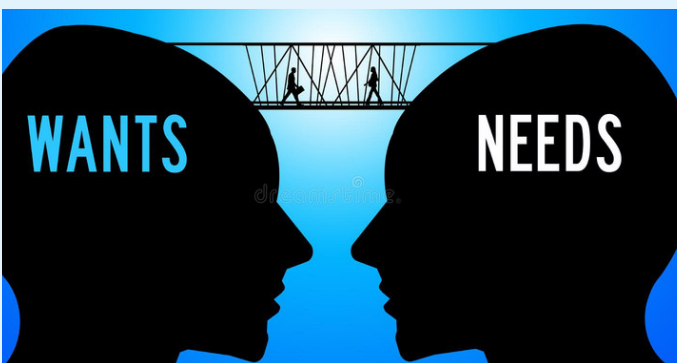
A successful marketing strategy is one where the wants and needs of the customer are taken in account. When a product is not marketed taking into account the wants and needs of a customer, it creates a gap in the market which becomes an opportunity for competitors to take advantage of. It is thus essential that a business owner understands the market as accurately as possible, in order to ensure that products that are of value and desirable to the consumer are introduced to the market.

Consumer Needs:



Consumer needs are based on human psychology and behaviour. This is the basis on which a good or service in the market will either be successful or be met with failure. Needs are the motivating factor behind which consumption behaviour (consumer's behaviour) takes place. Thus, having needs fulfilled comes from basic biological and psychological needs and not from social forces of the market.

Consumer Wants:



Consumer wants are more focused on the way in which the need is to be satisfied. This essentially focuses on the consumer's preferences to have a need fulfilled. For example, a person who is thirsty may either choose to drink water or drink a fruit juice. While, a person who is looking to buy a vehicle to commute will either opt for a sedan or a pick-up truck, in order to fulfil needs in a specific manner.



Definitions



Manufacturer:

A manufacturer is an individual or organization that makes finished goods from raw materials with the help of tools, equipment, and processes.

The manufacturer sells the goods to the wholesalers and distributors or other manufacturers in order for them to proceed goods that are more complex and sophisticated.



Supplier:

A supplier is a person that supplies goods or raw materials. They facilitate the transfer of goods between one place and another. A supplier is into the business of logistic.

Wholesaler:

A wholesaler is an individual or organization that procures products in bulk from manufacturers and sells them to retailers.

A wholesaler performs the role of a middleman. A wholesaler acts as a facilitator between a manufacturer and a retail establishment.

A Wholesalers procures substantial quantities of products at a lower price and sells them to retailers.



Definitions



Retailers:

Retailers sell goods to customers in smaller quantities unlike wholesalers who sell in bulk.



Seller:

A person or business that sells a product or service is called a seller. A seller includes both wholesalers and retailers. Both of them are considered as sellers.

Goods:

Goods are finished products that are sold to the customer.



Service:

Work that is done for others as an occupation or business



Definitions



Product:

A product is anything that is made or grown with the intention to be sold or used.



Market:

A Market is a common meeting space where buyers and sellers come together and the forces of supply and demand affect prices of the goods and services involved.

Cost Price

The cost of producing something or the price at which it is sold without making any profit.

Illustration:

The cost to manufacture a pen is Rs. 3. Therefore the cost price of the pen is Rs. 3.

Selling Price

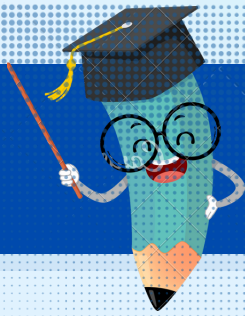
The price at which a product is sold is known as selling price.

Illustration:

Raju, a class 6 student needs a new pen, he goes to a stationery shop near his school, then shop keeper sells him the pen for Rs. 5. Here, Rs. 5 is the selling price.



Definitions



Buyer:

A buyer is a customer- he is an individual or business that makes a purchase from a seller.



Customer:

A customer is the final beneficiary of a good or service or product that they obtained from a seller, vendor or supplier.

Consumer:

A Consumer is the one who consumes goods and services and is the end - user.



Consumer

A consumer refers to an individual who consumes a product or service.



Customer

A customer is someone who purchases a product or service

**CONSUMER
VS
CUSTOMER**



Definitions



Vendor:

A vendor is a person selling something.

An example of a vendor is a man with a stall who is selling vegetables.



Self Test Questions



1. Choose the Correct Option:

1. A _____ is work that is done for others as an occupation or business.
 - a) Service
 - b) Product
 - c) Sale
 - d) Customer
2. A _____ is anything that is made or grown with the intention to be sold or used.
 - a) Product
 - b) Service
 - c) Produce
 - d) Good
3. A _____ is a person or company that produces finished goods from raw materials.
 - a) Manufacturer
 - b) Supplier
 - c) Wholesaler
 - d) Retailer

2. Fill in the Blanks:

1. A _____ is the recipient of a good, service, product or an idea.
2. A _____ is the one who consumes goods and services and is the end - user.
3. A _____ is a common meeting space where buyers and sellers come together.

3. True or False:

1. Retail is the sale of goods and services to consumers, in contrast to wholesale, which is sale to business or institutional customers.
2. A Supplier is into the business of logistic (transport).
3. Goods are finished products that are sold to the customer.





4. Answer the Following Questions:

1. Explain the basic characteristics of a market.

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2. Describe the supply chain process from raw material to a finished product.

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3. Explain the difference between wholesalers and retailers.

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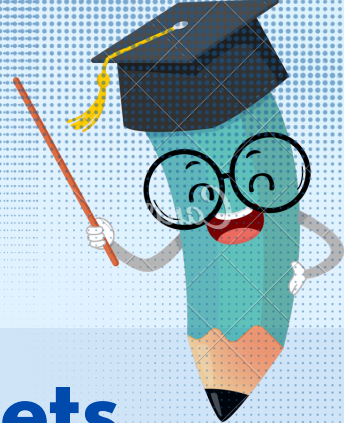
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Unit-2



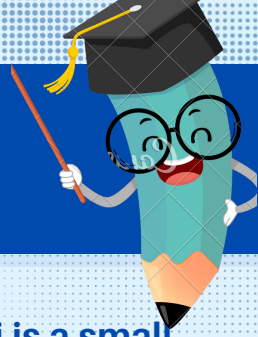
Classification of Markets

The objective of this unit is to give an elementary understanding about markets to the students.

Location	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training
Classroom and Field visit	Understand the meaning of kinds of markets on the basis of Geographical location	To comprehend and identify the classification of markets in Local, Regional, National, international Market.	Explain the meaning and features of <ul style="list-style-type: none">Local marketRegional marketNational marketInternational markets	<ul style="list-style-type: none">Interactive LectureFlow chartVisit various types of markets.
Classroom and Field visit	Understand the meaning of kinds of market on the basis of business volume	To comprehend and identify the classification of markets in Wholesale and Retail Market.	Enumerate the meaning & characteristics of <ul style="list-style-type: none">Wholesale MarketRetail Market	<ul style="list-style-type: none">Interactive LectureExperiential LearningRole play & Dramatics.
Classroom and Field visit	Understand the meaning of various types of market on the basis of consumption.	To comprehend & identify the classification of markets in consumer & Industrial market.	Explain the meaning of <ul style="list-style-type: none">Consumer MarketIndustrial Market	<ul style="list-style-type: none">Interactive LectureArt IntegrationsPoster MakingQuiz
Classroom	Understand the concept of Modern Market and virtual Market	To comprehend and evaluate the concept of virtual Market.	Explain the concept of Virtual Market.	<ul style="list-style-type: none">Interactive LecturePPT on Virtual Markets



Bazaars of India



Dhani is a 12-year-old boy who lives in Hanuman Garhi. Hanuman Garhi is a small village having a small market which consists of hardly 5 to 6 shops. From these shops the villagers buy things for their everyday needs. Mostly these things are perishable goods like fresh vegetables, milk and consumable items like rice, cereals, flour, sugar, edible oil etc. Dhani pays in cash when he buys. Once in a month he goes to Shivpur weekly bazaars, a town, either with his parents. He loves the place because it's a bustling local trading hub. Unlike his village, there are a large number of shops, stalls, pavement vendors in this place. In addition to the fresh vegetables and edible items here one can buy many other things also like utensils, clothes, small handicrafts etc. All the things which are sold here are generally locally produced. Dhani's parents also love this place as they can do some budget shopping there.

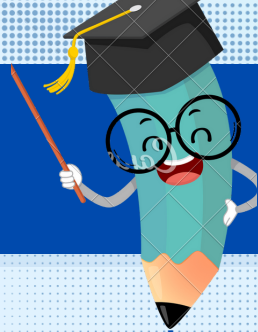


Dhani's Aunt lives in Delhi. It is a big metropolitan city. Last week Dhani went to Delhi with his parents to visit his aunt and her family. He was very happy to meet his Cousins Yash, Nanu and Mana. His Aunt wanted to buy a few things to be gifted to Dhani. So, she took him to the market. Dhani could not believe his eyes. He had never ever seen such a sprawling market with huge shops and shopping malls. He was greatly impressed to see the state of art infrastructure. In these markets and shopping malls you can get almost everything that you can probably think of. Dhani saw that these marketplaces do not only have local but also foreign goods. Big brands, exclusive items, electronic goods, car, motor vehicles imported handicrafts furniture you name a thing and it is available here. Yash selected a pair of branded shoes for Dhani. They were so beautiful and sturdy to look at. He saw his aunt paying for the shoes. But What! to his surprise he saw his aunt instead of giving cash money. She took out a card and made the payment. Nanu told him that it was her credit/debit card which is also known as plastic money. Dhani saw that it was a very convenient way of paying money. Nobody complains about the change or spoiled currency.

They all came home very happy and exhausted. Aunt was not in the mood to cook anything. Yash immediately placed an online order for dinner. He informed Dhani that whatever he saw in the market too can be ordered online. It will be delivered to him within a few days. Dhani has now returned to his village but he still thinks about the different kinds of markets that he has seen all around. He wants his village and even the town to have the same kind of business and markets that he has seen in the city.



Classification of Markets



In the above story, Dhani appreciated the fact that markets nowadays are not only restricted to physical products but include the other things of value such as services, ideas, information etc.

The term market suggests the nature of the product which is being bought or sold like cloth market, vegetable market, electronic market etc.

The buyers and sellers can conduct business without meeting at a place-by telephone, mails or internet. The term market is used in a variety of contexts. In our daily life, we use many products like soap, brush, milk, bread, mobile and think about where these products are manufactured? Where are they sold? Why do the prices of these products differ at different places? Buying a product from a shop near our house is cheaper as compared to big shops in the malls. The prices can differ due to the demand of the product or consumption of the product or channel of distribution. Many questions arise in our mind when we explore the market.

Markets can be divided based on various actors like - transactions, volume of business, nature of goods, demand and supply conditions, regulations, geographical area, nature of competition. Traditionally, market was a physical location where the buyers and sellers assembled to buy and sell the goods in exchange of money or money's worth. The classification discussed in this unit is based on the traditional concept of markets.



Markets are categorized on the following basis:

1. On the basis of geographical location.
2. On the basis of volume of business.
3. On the basis of consumption.



Classification on the basis of Geographical Area:

Markets under this category are - Local Markets, Regional Markets, National Markets and International Markets.

a) Local Market

Local markets are the markets which are restricted to a small area or local region. It primarily deals in perishable and semi-perishable goods like fruits, vegetables, meat, milk, grains, daily consumable items and other services. For example: Locally sold services like hair dressers or grocery shops. Even haats, weekly bazaars are common examples of local markets.



b) Regional Market

Regional Markets are spread over district, state or a confederation of states. When compared to a local market, these markets cover much larger geographical area. This includes consumer durables and nondurables, as well as agricultural and industrial goods.

c) National Market

The Markets where the demand and supply of goods and services is restricted to one specific country is called National Market. Along with it, the government does not allow the trade of goods outside the national boundaries. For example- The products like iron, cement are sold throughout the country and not restricted to one area.



d) International Market

International markets are where the demand for the goods and services is international i.e. outside the geographical boundaries of the country. The goods are manufactured in one country and sold in different countries. Various products are being traded across borders through import and export as no country is self-sufficient. For example- silver, gold, medicines, electronic goods etc are commodities that are sold internationally.

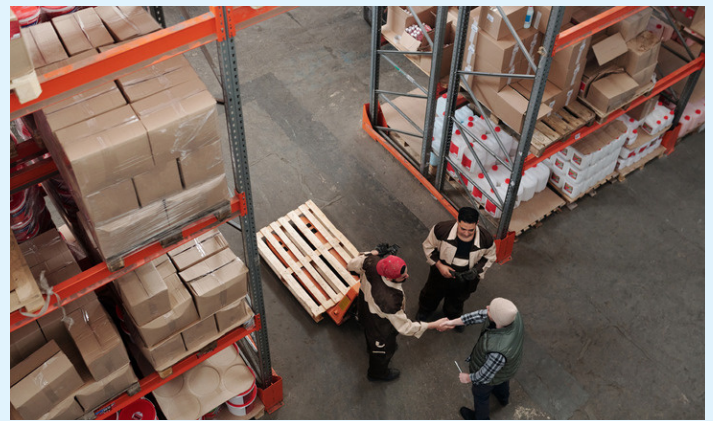


Classification on the basis of Business Volume:

Markets under this category are - Wholesale markets, Retail markets

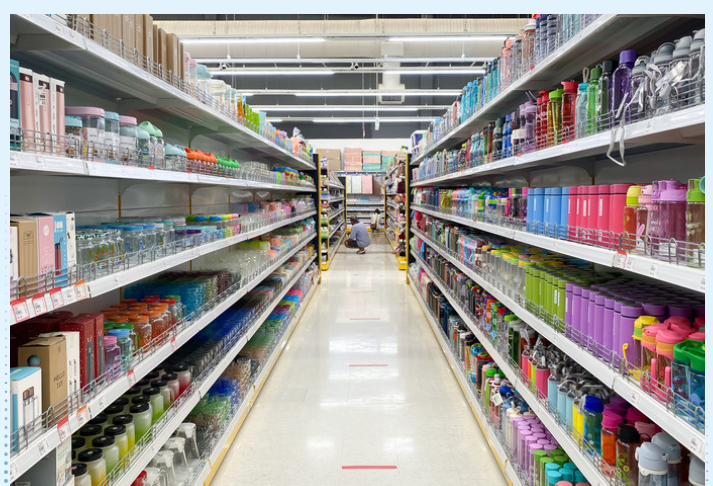
a) Wholesale Market

When large quantities of products are purchased from producers and manufacturers and sold to small retailers, it is said to be a wholesale market. In the wholesale market, products are not sold to the consumers directly. But if consumers want to buy in large quantities, then they can buy it from wholesalers. The main feature of this market is that products are bought in bulk quantities for further sale.



b) Retail Market

The markets where goods and products are purchased from manufacturers or wholesalers and then sold to ultimate customers in smaller quantities are called Retail markets. For example- A retail clothing store sells the clothes directly to consumers. The purchase done by the customer is not done for reselling purposes. But goods which are sold by a retailer are at a higher price as compared to wholesalers. He adds the cost of transportation, storage charges and profit on the price of the product, which then becomes the selling price. Selling price can never be more than the price printed on the product.



Classification on the basis of Consumption

The markets can also be classified on the basis of consumption as Consumer market and Industrial market

a) Consumer Market

Consumer market is a market from where consumers buy products for final consumption. The consumer holds the power within a consumer market. For example-When you buy movie tickets, you are purchasing a service rather than a product. Consumers buy luxury goods like cars, mobile phones or household items like refrigerators, television or consumer goods like tea, bread, cosmetics to fulfill their needs.

Branding, advertisements and easy availability of the products are very essential characteristics of Consumer markets.



b) Industrial Market

Industrial Market includes sale of those products that are purchased by industries for further production. The difference between industrial products and consumer products depends upon the purpose for which the product is purchased. For example- An Air Conditioner bought by a consumer for personal consumption is a consumer product but centralized Air Conditioner unit purchased by hospitals or hotels is an industrial product. Mostly the products like raw materials, machine and machine parts, equipments are examples of industrial markets

Industrial Products



Modern Markets

The concept of classification of markets has changed drastically in modern times. With advanced technology, innovation, communication network, transportation the markets are now more consumer oriented rather than producer oriented. The markets are now classified as Business market, Global markets, Consumer markets.

The retail shops in crowded marketplaces have now found an upscale infrastructure with modern facilities under one roof. All the stores (which were earlier termed as shops) are opened in one complex for ease of shopping branded items, especially in cities. For example, Retail Giants like Big Bazaar, Reliance Fresh, Pantaloons, Shopper Stop are the stores which can be found all over the country in shopping malls.

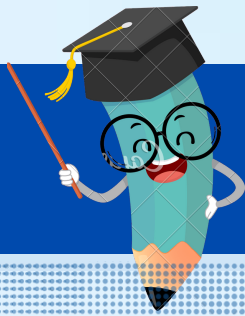


Virtual Markets

The latest Marketplace where buyers and sellers do not meet in person but buyers purchase goods and services through the internet and make payment digitally (online) are called Virtual markets. For example, Amazon, Flipkart are the best examples of Virtual markets. On these platforms a product is sold online by various manufacturers and the buyer has a choice which product he wants to buy after comparing costs, benefits, reliability etc.



Self Test Questions



1. Choose the Correct Option:

1. Weekly Bazaars is an example of market.

- a) Regional
- b) Wholesale
- c) Local
- d) National

2. Import and Export of goods is part of market

- a) National
- b) International
- c) Regional
- d) Retail

3. Who finally sells goods to consumers-.....

- a) Wholesaler
- b) Retailer
- c) Manufacturer
- d) Dealer

2. Fill in the Blanks:

1. The market where products are purchased in bulk from manufacturers and sold in small quantities is called..... market.

2. The.....markets do not require a physical place to buy or sell goods.

3. The machines and equipment which help in manufacturing finished goods are part ofmarket.

3. True or False:

1. Daily consumable items are easily available throughout the country.

2. On the basis of business volume, the markets can be classified into Consumer Market and Industrial Market.

3. The markets where products are bought and sold within the geographical boundaries of a country are termed as regional markets.





4. Answer the Following Questions:

1. List out the important features of the consumer market.

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2. Why is there a difference in prices of a product between a wholesale market and Retail market?

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3. "The changing scenario of markets has made shopping very convenient". Do you agree? Give a reason to support your statement.

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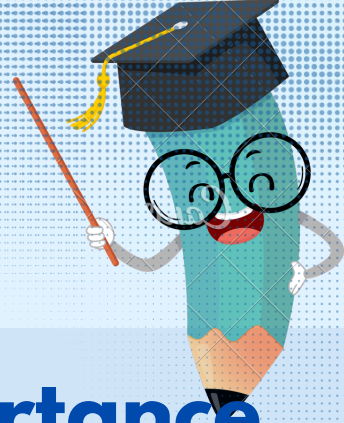
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5. Activity

Prepare a pictorial Scrapbook highlighting the various types of market (Traditional and Modern).



Unit-3



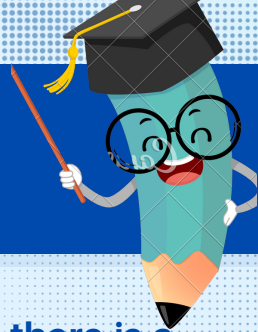
Market Functions & Importance

The objective of this unit is to enable students to understand the key functions of market and learn their importance for all of us.

Location	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training
Classroom and Field visit	To understand the various features of overall market we interact with day to day.	To learn and enumerate the characteristics or features of market.	Enlist & explain the features of market based upon what we observe in market in our routine interactions.	<ul style="list-style-type: none">- Interactive Lecture- Flow chart- Visit to various types of market.- Poster Making- Quiz
Classroom and Field visit	To understand and learn the importance of market in our everyday lives.	To comprehend with as to how markets are important for us, in our lives.	Enumerate and explain why markets are crucial in our day to day lives and we spend considerable time interacting with it.	<ul style="list-style-type: none">- Interactive Lecture- Experiential Learning- Role play & Dramatics.
Classroom and Field visit	To understand the various market functions.	To understand and learn the various marketing functions being performed by parties involved.	Enlist & explain the various key functions of market that governs it.	<ul style="list-style-type: none">- Interactive Lecture- Art Integrations- Visit to various types of market.- Poster Making- Quiz



Introduction



As learned in Unit 2, the term market refers to a particular place where there is a presence of a few or many small sized and big sized shops and where people (buyers and sellers) are present in huge numbers and they keep interacting with each other. Some people come to market to sell the goods, while others come to buy the goods from these people. Market may sell a large variety of goods like vegetables, fruits, groceries, clothes, stationary items, shoes, sweets, toys and many others. Sometimes, markets are known by the type of goods they sell to people. For example, if the buyers and sellers of vegetables assemble at a place for buying and selling vegetables, we call that place a 'vegetables market'. Similarly, if the buyers and sellers of toys & games assemble at a place for its buying and selling, it will be called as 'Toy's Market'. Therefore, a market is considered as a physical place which comprises of few or many big sized and small sized shops, kiosks, stalls, street sellers (hawkers), who engage themselves in selling many kinds of goods.



Market refers to a specific place where both sellers and buyers connects, interacts with each other to buy and sell goods of their daily use. These goods are purchased and sold at exchange of money, which can be different for different goods. For some goods, you need to pay less amount of money to purchase them, while for others goods you pay more money. Hence, market refers to complete area/place/location where demand & supply of any type of good exists.

Further, it is to be learned that in a marketplace, both parties of consideration viz. sellers and buyers may not always meet personally to each other at a specific place. Instead, they can also connect with each other through any other medium like a telephone or through online mode via website of the manufacturer directly or these days even by the means of mobile phone applications. Therefore, the word 'market' doesn't always means a fixed location only, but can be virtual also.



Nikunj's Shopping Experience



Nikunj Sharma, a class VI student aged 11 years visited his grandparents who lives in Alwar, a historic city in state of Rajasthan. The city is known for many types of goods like Rajasthani bangles, umbrellas, wooden toys, decorative pots, clothes and dresses for men, women and children (Figure 3.1), and famous food item 'kalakand' or milk cake. Visit to his grandparent's place has always been exciting for Nikunj, as he gets to visit market with his grandfather, who bought many a thing for him, whatever he requested. He loved to observe people calling loudly and asking them to visit their shop to purchase various items. He happens to see new variety of goods, every time he visited the market.



He observed that his grandfather visits to different shops for purchasing different items, from some shops he purchased a lot of items, from some he purchased very few items, and from others he asked the prices and didn't purchase anything. He also notices that he pays different amount money to different shopkeepers. At some shops he bargained, at other shops he doesn't. Nikunj gets confused seeing all this.

After returning back home from market, he had a lot of questions that he asks from his grandfather.

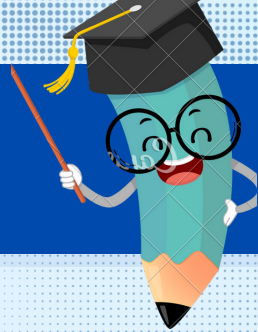
- Why his grandfather didn't purchase all the things from one shop?
- Why there are different shops selling the same good?
- Why they purchased from a particular shop and not from other?
- Why did they bargain for some goods?
- Why did they not purchase from all the shops they went too?
- What will shopkeepers do, if that haven't purchased for them?

His grandfather smiled and observed the questions, and starts to answer them one by one to overcome Nikunj's curiosity.

The answer to these obvious queries by Nikunj in the above story has been discussed in the topics below as features, importance and function of market.



Features of Markets

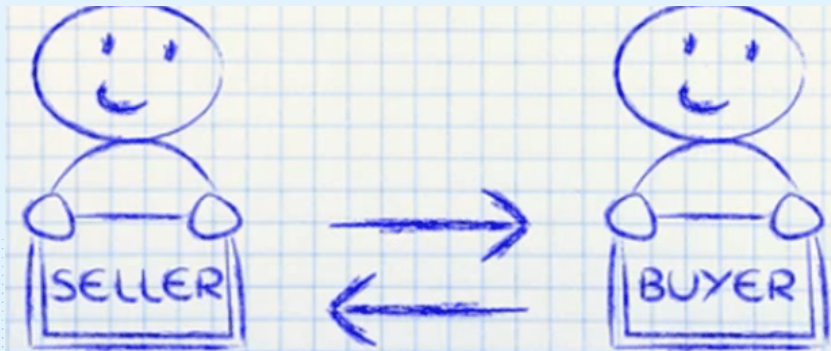


(1) Market can be referred to as, a physical or geographic area, a region, it can be a village, city, small and big towns, a state or a complete nation or even any other country.



(2) Markets may be either physical or virtual (online) in nature where Goods may be purchased for its immediate use or consumption or stored for a later use.

(3) There are basically two parties in the market the 'buyers' and the 'sellers'. All purchases for different type of goods are conducted between these two parties. The sellers sell the commodity at a particular price and the buyers b



(4) A market comprises of huge number of sellers and buyers present in it.

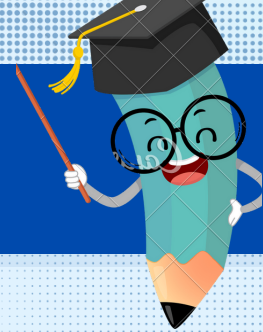
(5) Buyers and sellers exchange goods or service for an amount of money, known as its price.

(6) Exchange may take place in a specific location or through other channels — middlemen, telephone, letter, electronic mail, teleshopping.

(7) Market offers various types of goods & services that are required by the people.



Importance of Markets



Importance of markets in our daily lives can be studied as follows:

(1) Informing and Educating Consumers:

Market informs about products and what they do? It informs about launch of new products from time to time, and offers consumers the full information and purpose of goods.

(2) Markets support in movement of physical goods/ products, its transfer and exchange among people. Markets enables the movement of finished goods/products from one location (manufacturer or warehouse or wholesaler) to another location (marketplace or shop), helping the transfer to buyer, via exchange of money. This is a continuous activity performed at all times of need.



(3) Markets provides means to people for raising their living standards in society and maintaining it.

Markets proves as a medium which provides people in the society with a large variety of goods, services as per demand, at best possible prices. People may purchase them as per requirement and improve their way of living in society, maintain and enhance it further.

(4) Markets are big sources of employment generation

A marketplace consists of a large number of activities to be performed by people which includes loading, unloading, transportation, purchase, sale, packing, storage and many others. Each of these activity and similar other required people to work upon and hence creates chances of employment to people looking for it.

(5) Market generates Income opportunities for people

As market requires large number of people performing various needful tasks, these provides opportunities to earn income as wages, salary or profits in return of work done.

(6) Markets are helpful in development of the country by creating demand for goods, earning profits from selling activities and creating job opportunities for large number of people.



Functions of Markets



Market consists of a number of activities, right from manufacturing the goods by a company to transporting it to the shop, so that it can be offered for sale to the needy consumer. So there are a lot of activities in this process, which we call the functions of markets. The main functions of markets are:

- (1) To provide opportunities for the exchange of various types of goods and services in the marketplace.
- (2) To provide easy and quick access to a wide range of goods to people, at a single place which saves time, cost and energy.



- (3) Promotion is the function of market creates awareness about goods while telling target audiences about its uses and benefits. It also brings new products and services to knowledge of people.
- (4) Selling is a function of market that comprises of communicating with interested customers and doing sales. It helps generate profits by selling products to people.
- (5) The role of a market is to offer products which are useful and meets customer needs.
- (6) Market is a place that collects and stores information about customer, what he likes, his requirements, their age, gender, family, education etc. to provide better products for all.



- (7) Demand and supply of a good in the market helps to set the best price for the goods/ services so that large number of people can purchase it.
- (8) Distribution is the function of market which is responsible for transporting a company's products or services to marketplace where customers comes to purchase it.



Self Test Questions



1. Choose the Correct Option:

1. A _____ may be a geographic area or region, which may be a village, city, district.
a) Purchase
b) Market
c) Seller
d) Buyer
2. Exchange of goods or service happen for an amount of money, known as its _____.
a) Customer
b) Wholesale
c) Price
d) Retail
3. There are _____ number of buyers and sellers present in the market.
a) Few
b) Limited
c) Very less
d) Large

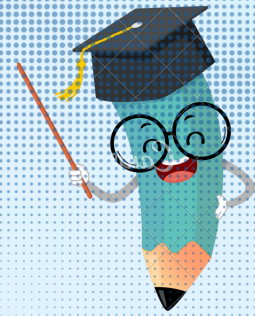
2. Fill in the Blanks:

1. There are basically two parties in the market the _____ and the _____.
2. _____ is the function of market that creates awareness about goods to people.
3. The function of market which comprises of communicating with interested customers and doing sales is _____ function.

3. True or False:

1. Markets may be either physical or virtual (online) in nature.
2. Goods purchased by customer cannot be stored for a later use.
3. Distribution is the function of market which is responsible for transporting a company's products





4. Answer the Following Questions:

1. List out the important features of a market.

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2. Discuss how market creates employment for people?

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3. "The market these days is not limited to physical place but is even present in our mobile phones". Do you agree? Give a reason to support your statement.

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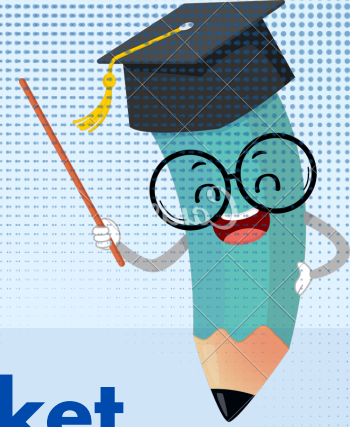
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5. Activity

Visit to a nearby market with your family members and list down various activities observed by you happening there.



Unit-4



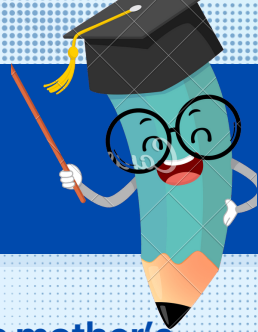
Fundamentals of Market

The objective of this unit is to understand the Meaning and features of Marketing.

Location	Learning Outcome	Knowledge Evaluation	Performance Evaluation	Teaching & Training
Classroom	To understand the meaning of Marketing.	To comprehend and understand the concept of Marketing.	Explain the meaning of Marketing.	<ul style="list-style-type: none">• Interactive Lecture
Classroom	To understand the scope of Marketing.	To identify the Scope of Marketing in the Modern era.	Enumerate with examples the scope of Marketing.	<ul style="list-style-type: none">• Interactive Lecture• Prepare a chart based on the scope of Marketing.
Classroom	To understand the features of Marketing.	To comprehend & evaluate the characteristics of Marketing.	Explain the various features of Marketing.	<ul style="list-style-type: none">• Interactive Lecture• Prepare a Mind Map highlighting the features of Marketing.



Meaning of Marketing



'Simple Marketing' is a short story about a boy, Madhav who markets his mother's clothing business amongst his school friends.

Simple Marketing

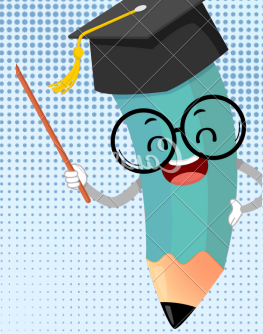
Madhav is a 10th standard school student from Nagpur. His mother runs a cloth boutique in the city and has been facing heavy losses due to the covid-19 pandemic. Madhav is worried about his mother's business and decides to help her by promoting her mother's store amongst his friends. He first decides to make posters that he can display on the school notice board. He then asks his sister, Riya to promote the business amongst her neighbourhood friends as well. The posters and pamphlets made by Madhav and Riya catch the attention of many parents. They are not only attracted by the price incentive behind the clothes, but are also excited about the prospect of it being made completely in India. The posters and pamphlets become a huge success and help Madhav's mother sell all her clothes in the store and also help her pay her debt while still making a decent amount of profit.

What is Marketing?

The act done by Madhav is called Marketing. Marketing is a process by which a person undertakes activities in order to promote a business or product, thereby making it more attractive to customers. Marketing promotes either the salient features of a product to its customers or promotes it by trying to incentivise customers through price deals or other similar offers. The most important person in the market is the customer or the buyer. If there are no customers then the process of marketing will not be completed. The marketer (Seller) has to sell his products to a customer who is desirous of that product.

With change in the concept of a market, anything a customer wants, other than physical product and has a value can be marketed. It can be a product, service, idea, place, event or even experience.





Following are the examples of what all can be marketed.

(a) **Product-** Mobile Phone, Laptop, T.V, Milk, Vegetables, Soap, Car.



(b) **Service-** Education, Banking, Insurance, Transportation, Online Payments, Lawyer, Doctor.



(c) **Idea-** Swachh Bharat Abhiyan, Polio Vaccination Drive, Make in India.



(d) **Event-** Diwali Mela, Winter Carnival, Music Concert, Trade Fair.

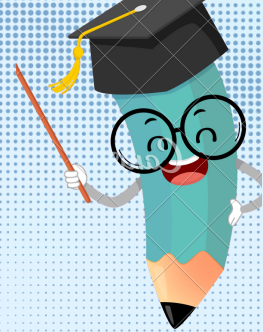


(e) **Place-** Holiday in Taj Vivanta, Summer Holiday Package



(f) **Experience-** Mountain Climbing, Dinner with Celebrity





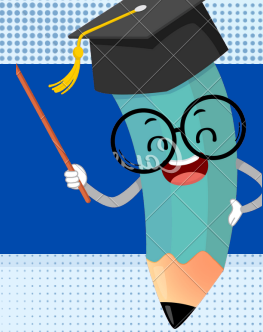
The modern concept of market has shifted from producer to consumer orientated approach. The Marketer does a lot of activities before launching a new product in the market. For example- If a Mobile Phone manufacturing company wants to launch a new variety of Phone then the company has to plan for the type and model of the phone, the price, the design, how it will be advertised whether through TV or Social Media, in which outlets it will be available.

So marketing activity has to be undertaken by all the organizations who want to sell their product or services in the market. With the above example it's clear that marketing involves all those activities that are necessary to create exchange of goods and services from producer to consumer.

The various activities involved are- planning of the product to be manufactured, designing, packaging, pricing, storing, transport, branding, advertising, selling. Marketing starts even before the goods are produced and continues even after the goods have been sold.



Features of Marketing



1) Exchange is the main element of marketing. There have to be two parties- the buyer and the seller - to complete the process of exchange. Both the parties should voluntarily enter into this process.

For Example- When you buy a chocolate from a shop and then you pay for it either in cash or through card. That is the exchange relationship.

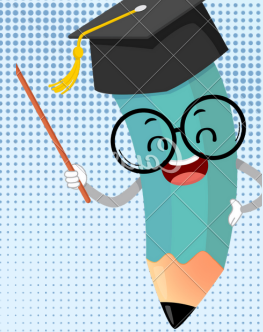
2) Marketing is customer oriented because the business has to produce or manufacture the products according to the wants, needs, likes, dislikes of the customer rather than what the company wants to sell. The seller cannot force the customer to purchase a certain product. The customer will purchase according to his choice, taste and need. For example- If you want to buy Cadbury Chocolate then the shopkeeper cannot force you to buy Amul Chocolate because it's your Choice and your taste which matters the most.



3) Marketing begins before production and continues even after the sale of the product. The needs of the customer are to be analysed before undertaking any marketing activity. Product and services will be designed and manufactured to satisfy the needs of consumers. Marketing helps to create a demand for that product, maintains a good relationship with the customer through their satisfaction and customer in turn buys the same product year after year.

For example- Your Parents have been using Colgate Toothpaste and now you are also using the same toothpaste. This example shows customer satisfaction and repeat purchase of the product from so many years.





4) Marketing involves many interrelated activities like transport, storing, packaging, advertising, after sale service etc. Transportation and storage helps in availability of product in every location for ease of shopping by customers. Advertising and promotions help the customers to know about the features and benefits of the product. After sale service is required for many products, especially electronic goods. Packaging of the product makes it more attractive, safe and provides information about the product.



5) Marketing also helps in creating employment opportunities for the people as it involves many activities. People get jobs in Advertising companies, Transport companies, Customer Care centres. For example- If you have L.G. Brand Television and something goes wrong with your T.V. then you will prefer to call the Customer Care number of L.G. which will send a technician to repair the T.V. The technicians have been given jobs by the company to solve the customer's problems. Even the person who attends your call at the customer care centre has been hired by the company.

6) Marketing helps the manufacturers and service providers to create a demand for their product as compared to their competitors. Usually the customer purchases the product only if it gives him the benefit or the value for money. For example- Let's compare PEPSI and Real fruit Juice. It is the choice of the customer whether he wants to have soft drink or juice after comparing the health benefits or maybe in some cases the price of the product.

By delivering value to customers a relationship is developed which is beneficial for the business.



Self Test Questions



1. Choose the Correct Option:

1. Radio message about India International Trade Fair held annually at Pragati Maidan, New Delhi is an example of _____ marketing.
 - a) Event
 - b) Market
 - c) Product
 - d) Idea
2. _____ is a process by which a person undertakes activities in order to promote a business or product, thereby making it more attractive to customers.
 - a) Product
 - b) Wholesale
 - c) Business
 - d) Marketing
3. The customer purchases the product only if it gives him the _____.
 - a) Feeling
 - b) Value for Money
 - c) Warmth
 - d) Prize

2. Fill in the Blanks:

1. _____ helps in availability of product in every location for ease of shopping by customers.
2. _____ starts even before the goods are produced and continues even after the goods have been sold.
3. _____ of the product makes it more attractive, safe and provides information about the product

3. True or False:

1. All the products, services, ideas, places, events or even experiences can be marketed.
2. If there are no customers then the process of marketing will not be completed.
3. The modern concept of market has shifted from consumer to producer orientated approach.





4. Answer the Following Questions:

1. List out the salient features of Marketing.

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2. Discuss how the market creates employment for people?

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3. "Anything and everything can be sold in the market". Do you agree? Give reasons to support your statement with some examples that you have observed.

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5. Activity

Take the cut-out from newspapers or magazines and paste below, any 1 example (advertisement) each of marketing of products, services, ideas, places, events and experiences that you observed.



Project Work



Group Project

(Project work can be done by forming small groups in the classroom itself, where a teacher defines the roles of various groups to perform or act, as happens in a real market situation viz buyers, sellers etc. The students can enjoy this activity by performing various roles.)

- Dramatization of a market scene: Students acting as customers and marketers, it can be a role-play with buyers and sellers with different group of students portraying - wholesale, retail, or local market.

Individual Project

- Students to visit neighbourhood market and list out any 10 items [with their price] on A4 size colour sheet.
- Make an attractive poster highlighting the various activities that you observe happening in the market. You can use colourful pictures from newspapers and magazines for this.
- Students to prepare a PowerPoint presentation on types of market. Each child to be allotted a different type of market, and the student can prepare 5-6 slides about the same.



