

Direction (Q1-Q5): Based on following case study, answer question.

Eco-Fresh Foods is a new entrant in the ready-to-eat meal market, focusing on organic, locally sourced ingredients. They've developed a unique line of vegan and gluten-free microwavable meals designed for busy, health-conscious consumers. The meals are packaged in innovative, compostable trays with clear nutritional information and vibrant branding emphasizing freshness and natural goodness. Eco-Fresh decided to price their meals slightly below established organic competitors but significantly above conventional ready-to-eat options, aiming to quickly penetrate the market and attract a substantial customer base looking for value in the premium segment. Distribution is planned through select organic grocery stores, independent health food shops, and a subscription box service delivered directly to consumers' homes, managed from strategically located regional fulfillment centers. To build awareness and drive initial sales, Eco-Fresh launched digital advertisements targeting health and wellness enthusiasts, offered a "buy one, get one free" promotion for the first month in retail stores, and sent product samples to popular food bloggers for review. They also hired a small sales team to visit grocery stores and health food shops to ensure prominent placement and educate store managers about the product benefits and target audience.

Q1. The case states that Eco-Fresh decided on a pricing approach with the aim of "quickly penetrate the market and attract a substantial customer base". Based on marketing principles, which pricing objective does this strategy most closely align with?

- (a) Achieving Product Quality Leadership
- (b) Maximising Short-run Profits
- (c) Obtaining Market Share Leadership
- (d) Surviving in a Competitive Market

Q2. The description of Eco-Fresh's meals as "organic, locally sourced, vegan and gluten-free" and their packaging in "innovative, compostable trays with clear nutritional information and vibrant branding" primarily relates to which element of the marketing mix?

- (a) Price
- (b) Place
- (c) Product
- (d) Promotion

Q3. Eco-Fresh's plan to make their meals available "through select organic grocery stores, independent health food shops, and a subscription box service delivered directly to consumers' homes, managed from strategically located regional fulfillment centers" describes activities related to which element of the marketing mix?

- (a) Product
- (b) Price
- (c) Place
- (d) Promotion

Q4. The case mentions that Eco-Fresh offered a "buy one, get one free" promotion for the first month in retail stores and sent product samples to popular food bloggers. These actions are examples of which tool from the promotion mix?

- (a) Advertising
- (b) Personal Selling
- (c) Sales Promotion
- (d) Publicity

Q5. Eco-Fresh hired a small sales team to visit grocery stores and health food shops to ensure prominent placement and educate store managers about the product benefits and target audience. This activity is an example of which tool from the promotion mix?

- (a) Advertising
- (b) Personal Selling
- (c) Sales Promotion

(d) Publicity

Q6. Which of the following statements related to functional and divisional structure are correct?

- (A) It is easy to fix responsibility for performance in functional structure of organisation.
- (B) Formation of functional structure of organisation is based on functions.
- (C) Divisional structure of organisation is Economical.
- (D) It is easy to fix responsibility for performance in divisional structure of organisation.
- (E) Functional structure of organisation is Economical.

Choose the correct answer from the options given below:

- (a) A, B & D Only
- (b) A, B & E Only
- (c) B, D & E Only
- (d) B, C & D Only

Q7. The company has been facing problems of ambiguity in transfer of information among the employees. Which importance of organising helps in removing this problem?

- (a) Benefits of Specialisation
- (b) Clarity in working relationships
- (c) Adaptation to change
- (d) Effective Administration

Q8. Match the following principles of management (List I) with their descriptions (List II):

List I (Principles)	List II (Descriptions)
A. Order	I. Employees should have a fixed tenure to avoid inefficiencies caused by frequent turnover
B. Stability of Personnel	II. Fair treatment to all employees, without discrimination
C. Equity	III. Each group of activities with the same objective must have one head and one plan
D. Unity of Direction	IV. Ensuring people and materials are in the right place at the right time for maximum efficiency

Options:

- (a) A–I, B–II, C–III, D–IV
- (b) A–II, B–III, C–IV, D–I
- (c) A–IV, B–I, C–II, D–III
- (d) A–III, B–IV, C–I, D–II

Q9. Which of the following statements correctly describe the responsibilities of a consumer?

Statements:

- A. A responsible consumer should buy only standardised goods such as those with ISI, FPO or Hallmark marks.
- B. A consumer should avoid taking any action if the value of the defective product is low.
- C. Consumers should assert themselves to ensure fair treatment and must ask for a cash memo after purchase.
- D. It is not necessary for consumers to read product labels if the product is from a known brand.

Options:

- (a) A, B and D only
- (b) A and C only
- (c) B and D only
- (d) A, C and D only

Q10. The theory of Scientific Management was primarily developed and advocated by which of the following management thinkers?

- (a) Henri Fayol
- (b) Max Weber
- (c) Frederick Winslow Taylor
- (d) Elton Mayo

Q11. Which of the following best describes the "Need for Power" as an entrepreneurial competency?

- (a) The ability to understand and share the feelings of others to build strong relationships.
- (b) The drive to achieve challenging goals and continuously improve performance.
- (c) The desire to influence others, take control of situations, and establish one's own ideas.
- (d) The capacity to persist through obstacles and setbacks in pursuing entrepreneurial ventures.

Q12. Which of the following situations best reflects the application of the principle of Management by Exception (MBE)?

- (a) A manager reviews and approves every small purchase made in the office.
- (b) The finance head intervenes only when labour costs exceed the approved limit by 5%.
- (c) The supervisor checks each employee's attendance daily, regardless of punctuality trends.
- (d) Top-level managers personally monitor the progress of all minor tasks.

Q13. Which of the following best explains the use of Critical Point Control in the controlling process?

- (a) Monitoring every task in the organisation equally regardless of its importance.
- (b) Focusing on areas that are minor but easy to measure and evaluate.
- (c) Prioritising control in areas that significantly affect the overall performance of the organisation.
- (d) Delegating all monitoring tasks to junior employees.

Q14. Which of the following is NOT considered a evaluative type of test used in the employee selection process?

- (a) Trade Test
- (b) Intelligence Test
- (c) Medical Test
- (d) Aptitude Test

Q15. Rearrange the General steps involved in Communication Process:

- (A) Message
- (B) Sender
- (C) Feedback
- (D) Receiver
- (E) Media

Choose the **correct** answer from the options given below:

- (a) (A), (B), (C), (D), (E)
- (b) (A), (C), (B), (D), (E)
- (c) (C), (A), (B), (D), (E)
- (d) (B), (A), (E), (D), (C)

Solutions

S1. Ans. (c)

Sol. Obtaining Market Share Leadership is a pricing objective where a firm aims to capture a large portion of the market, often by setting prices that are competitive or slightly lower than direct competitors to attract more customers and increase sales volume. Eco-Fresh's goal of "quickly penetrate the market and attract a substantial customer base"

directly reflects the objective of gaining significant market share, which is often pursued through strategic pricing relative to competitors.

S2. Ans. (c)

Sol. The Product element of the marketing mix encompasses the actual goods or services offered, including their features, quality, design, packaging, and branding. The description of the meal's composition (organic, vegan, etc.), the packaging type (compostable trays), nutritional information, and branding all relate directly to the attributes and presentation of the product itself.

S3. Ans. (c)

Sol. Place (or Physical Distribution) involves activities related to making the product available to the target customers. This includes selecting distribution channels or intermediaries (organic grocery stores, health food shops, subscription service) and managing the logistics of getting the product to those locations or directly to the consumer, which involves warehousing or fulfillment centers.

S4. Ans. (c)

Sol. Sales Promotion refers to short-term incentives designed to encourage immediate purchase or trial of a product. Examples include discounts, offers like "buy one, get one free," and the distribution of free samples. Both the "buy one, get one free" offer and providing samples fall under the category of sales promotion techniques.

S5. Ans. (b)

Sol. Personal Selling involves direct interaction between a salesperson and potential buyers (in this case, the store managers acting as intermediaries) for the purpose of making a sale or securing distribution. The activity of sales representatives visiting stores, negotiating for shelf space, and educating staff is a clear example of personal selling efforts.

S6. Ans. (c)

Sol. B, D and E only.

Fixation of responsibility is easy in divisional structure so A is incorrect. Divisional Structure is of organisation is not economical, so C is incorrect.

S7. Ans. (b)

Sol. The importance of organising which would help in removing the problem of ambiguity in transfer of information among the employees is 'Clarity in working relationships'.

S8. Ans. (c)

Sol.

List I (Principles)	List II (Descriptions)
A. Order	IV. Ensuring people and materials are in the right place at the right time for maximum efficiency
B. Stability of Personnel	I. Employees should have a fixed tenure to avoid inefficiencies caused by frequent turnover
C. Equity	II. Fair treatment to all employees, without discrimination
D. Unity of Direction	III. Each group of activities with the same objective must have one head and one plan

S9. Ans. (b)

Sol.

A. Correct – Consumers are advised to buy standardised goods like ISI-marked, FPO-marked or Hallmarked products.

B. Incorrect – Consumers should file complaints even when the amount involved is small.

C. Correct – Consumers should assert their rights and always ask for a cash memo.

D. Incorrect – Reading product labels is essential regardless of brand reputation.

S10. Ans. (c)

Sol. Frederick Winslow Taylor is widely recognized as the "Father of Scientific Management." He developed this theory with the aim of improving industrial efficiency through scientific methods and the application of systematic study of work processes.

S11. Ans. (c)

Sol. The "Need for Power" in entrepreneurial competencies refers to the entrepreneur's motivation to have an impact, exert influence over others, and control the direction of the venture. It's about wanting their ideas and decisions to be implemented and having authority within the organization and potentially the market.

S12. Ans. (b)

Sol. Management by Exception suggests that only significant deviations from planned performance should be reported to and handled by top-level management. In this case, action is taken only when labour cost crosses the acceptable limit, making it a clear application of MBE.

S13. Ans. (c)

Sol. Critical Point Control means focusing control efforts on key result areas that are vital to the organisation's success. It avoids wasting time and energy on non-critical issues.

S14. Ans. (c)

Sol. While a Medical Test is often a crucial part of the final stages of the selection process to ensure the candidate is physically fit for the job, it is not typically considered one of the primary evaluative tests used to assess skills, abilities, or potential in the initial screening and shortlisting phases. Trade tests, intelligence tests, and aptitude tests are all designed to evaluate a candidate's knowledge, cognitive abilities, and potential to perform specific tasks or learn new skills, and are therefore key components of the selection process itself.

S15. Ans. (d)

Sol. Communication Process:

(B) Sender

(A) Message

(E) Media

(D) Receiver

(C) Feedback