**IQRA National University**

**Department of Business Administration**

**Spring- Semester 2020 (Final- Online Assignment)**

**Course Title: Principles of Marketing**

**Instructor: Shahzeb Anwar**

**Instruction: Submit back the answers in MS Word file with your name and id.**

 **Question 1:**

1. **What is SWOT Analysis? Why companies use it? Develop SWOT Analysis for IQRA National University. (15)**

 **Question 2:**

1. **Discuss New Product Development Process and draw its model. (15)**

**Question 3:**

1. **Write briefly about Product Life Cycle and draw its model. (10)**

**Question 4:**

1. **Write briefly about Branding along with examples. (10)**

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**Semester: 2nd (Sec-A)**

**Question 1**

**What is SWOT Analysis? Why companies use it? Develop SWOT Analysis for IQRA National University.**

**ANSWER**

**SWOT** stands for“**S**trengths, **W**eaknesses, **O**pportunities and **T**hreats”.

Strengths and weaknesses are controllable because they are internal to your company. For Example: who is in your team members (faculty), your location.

While Opportunities and threats are uncontrollable because they are external things that are going on outside of your company. For Example: competitors, raw materials, customer’s new shopping trends.

**WHY COMPANIES USE IT?**

 As cleared from their abbreviation it is used by the companies to find the strengths, weaknesses of the company. What are the opportunities and threats for their organization?

**SWOT ANALYSIS OF IQRA NATIONAL UNIVERSITY**

 **1. Strengths of Iqra National University:**

* Most of the faculty members are PhD Holders.
* It is located at the main location of hayatabad.
* Links with different foreign universities of turkey and Azerbaijan.
* PEC and HEC recognized university.
* The only university offering Allied health sciences in this region.
* Spacious auditorium with fully equipped audio system.
* Well facilitated library with books of different departments.
* All Classrooms are equipped with projectors.
* Gym and swimming pool.
* Transportation.

**2. Weaknesses of Iqra National University:**

* Iqra National University has the worst online student portal which created a lot of difficulties for the students to access. Thus it’s a big weakness.
* Less scholarship programs for students.
* No strong alumni.
* Lack of garden.

**3. Opportunities:**

* Educational opportunities related to climate study and tourism.
* Spreading campuses in other cities.
* Arrange job fairs and encourage different organizations to recruit from the university.
* Build up relationship with other local universities.

**4. Threats:**

* New universities offering skills developing courses.
* Increase in competitors like IMsciences and CECOS in the region.
* Risk of losing faculty, because faculty is offered better opportunities at other universities.
* Negative public perception regarding purdah system in female students.

**Question 2**

**Discuss New Product Development Process and draw its model.**

**ANSWER**

New Product Development (NPD) is the total process that takes a service or a product from conception to market. New or rebranded products and services are meant to fill a consumer demand or an opportunity in the marketplace. The steps in product development include drafting the concept, creating the design, developing the product or service, and defining the marketing.

A new product opens a whole new market: It can completely replace a current product, take over an existing product, or simply broaden the market for something that already exists. Sometimes existing products are introduced to new markets, repackaged, or marketed differently. New products can improve the use of a company’s resources, launch a company into a new market or segment of the market, improve the relationship a company has with its distributors, or increase or defend a company’s market share.

**NEW PRODUCT DEVELOPMENT PROCESS**

**1. Idea Generation:**

The new product development starts with the search and generation of ideas which may arise from various sources like company’s R&D department, market and consumers trends, competitors, focus groups, employees, sales people and such other.

**2. Idea Screening:**

At this stage, the generated ideas are screened down on the basis of their feasibility and viability, only practical and workable ideas are developed. The purpose of screening is to have a critical evaluation of product ideas and drop the poor ideas.

**3. Concept Development and Testing:**

The company may have considered the idea to be feasible, but is has to be tested with the target audience. Here the product idea is converted into meaningful consumer item and presented to appropriate target consumers to know their reactions. If the reaction is positive, the company moves to next stage.

**4. Market Strategy Development:**

After successful concept testing, the marketing manager will develop a preliminary marketing strategy for introducing the product in the market. The marketing strategy will highlight the segmentation, targeting and positioning strategy.

**5. Business Analysis:**

Business analysis is the study of economic feasibility of the new product i.e. whether the product will be financially worthwhile in long run or not. This stage estimates the expected future profitability of the new product, i.e. what cash flow product can generate, what will be the cost of production, what will be the expected life of the product, share of market product may get etc.

**6. Product Development:**

Once the product is declared economically feasible, the company gives the product its physical shape. This stage involves huge investments to be made, as compared to the pervious stages. The physical product as it would appear is prepared so that it can be tested.

**7. Test Marketing:**

Test marketing is a stage where the new product is tested with a particular target market, to find out whether it is acceptable to the consumers or not. The expectation of the consumers from the product is tested here. Any improvement or modification required can be taken care of. Test marketing, thus, help in pretesting of the product and the marketing plan, before it is launched in the market.

**8. Commercialization:**

Successful test marketing gives way to actual introduction of the product in the market place. Here the company has to consider certain factors like when to launch the product, where and how the product will be launched, which market and which consumers to target etc. Market entry timing is also very important.

**NEW PRODUCT DEVELOPMENT MODEL**

**Question 3**

**Write briefly about Product Life Cycle and draw its model.**

**ANSWER**

**PRODUCT LIFE CYCLE:**

Product life cycle is the progression of an item through the four stages of its time on the market. The four life cycle stages are: Introduction, Growth, Maturity and Decline. Every product has a life cycle and time spent at each stage differs from product to product.

**STAGES:**

**1. INTRODUCTION:**

At the Introduction stage the product comes to the market and the business looks to get a foothold on the sales ladder by:

* Establishing branding and assuring the market of the quality of the new product.
* An initial low pricing policy to get into the market, though with little competition, price may be high initially to recoup development costs.
* Selection of a distribution model to get the product onto the market.
* Promotion of the product through aiming it at specific target groups such as online forums.

 **2. GROWTH:**

After successful Introduction comes the Growth stage. This will look to take developments at the first stage up to another level by:

* Maintaining the quality of the product and adding any extra services or support that becomes obvious during introduction.
* Keeping the price at a good level to maintain sales growth.
* Increasing distribution and sourcing new, faster ways of getting the product onto the shelves.
* Marketing campaigns aimed at a broader audience and at growing market share for the product.

**3. MATURITY:**

With growth established, Maturity is the next stage of the life cycle. The business deals with this by:

* Adding features that will make the product differ from the inevitable competitors that enter the market.
* Cutting price to counter competition.
* Revising distribution channels and using incentives to encourage stores to stock the original product in preference to newcomers.
* New promotions that aim to show differences between products.

**4. DECLINE:**

When the Decline happens the business will consider:

* Keeping the product on the market but adding or removing features or finding new uses for it.
* Reducing costs and production and keeping it just for a niche segment of the market.
* Discontinuing the product or selling the production rights to another company.

By keeping a strong hold on the four stages of a product life cycle, a business can maximize returns and realize when the time is right to divest itself of the product. By not doing so may cost the business money and lead to a limited life cycle for the product.

**PRODUCT LIFE CYCLE MODEL**

Sales

 Introduction growth mature decline

Time

**Question 4**

**Write briefly about Branding along with examples.**

**ANSWER**

**BRANDING:**

“Brand is a name, term, sign, symbol or design, or a combination of these, that is intended to identify the goods and services of one business or group of businesses and to differentiate them from those of competitors”.

Branding is a combination of tangible and intangible attributes symbolized in a trademark, which, if properly managed, creates influence and generates value. Brands are a means of differentiating a company’s products and services from those of its competitors. There is plenty of evidence to prove that customers will pay a substantial price premium for a good brand and remain loyal to that brand. It is important, therefore, to understand what brands are and why they are important.

#### Types of Brand:

There are two main types of brand-manufacturer brands and own-label brands.

**1. Manufacturer Brands:**

Manufacturer brands are created by producers and bear their chosen brand name, brand is marketed by manufacture. It is helpful in distribution of products in a wide area and to gain brand loyalty.

**2. Own-Label Brands:**

Own-label brands are created and owned by businesses that operate in the distribution channel – often referred to as “distributors”. Sometimes the retailer’s entire product range will be own-label. However, more often, the distributor will mix own-label and manufacturers brands. The major shopping mall and supermarket, have their own brands for example, Metro Mega Mart is having their own label brand.

There are many advantages to businesses that build successful brands.

**These are:**

**a. Higher Prices:**

For high branded products, consumers are prepared to pay a premium for products or services that simply deliver core benefits, they are the expected elements of that justify a core price.

**b. Higher Profit Margins:**

Businesses that operate successful brands are also much more likely to enjoy higher profits. A brand is created by augmenting a core product with distinctive values that distinguish it from the competition.

**c. Better Distribution:**

A brand differentiates itself from the competition, customer recognizes the added value in an augmented product and chooses that brand in preference, this creates demand and awareness in market, it is easy to distribute product in market.

**d. Customer Loyalty:**

Successful brands are those that deliver added value in addition to the core benefits. Alternatively, the consumer may be looking for the brand to add meaning to his or her life in terms of lifestyle or personal image. Brands such as Nike, Mercedes, Sony or Microsoft ensure guarantee of quality. Consistent high quality and performance generate customer loyalty.

#### Functions of Branding:

Branding is a powerful instrument of promotion which performs the following functions:

**(i) Distinctiveness:**

A brand name creates a distinctive impression among the customers. For instance, different brands of soap such ‘Dettol’, ‘Fa.’, ‘Lux’, Lifebuoy’, etc. create different impressions upon the users, though the article is the same, i.e., soap. Thus, a branded product enjoys distinct or separate identity.

**(ii) Publicity:**

A brand name enables its holder to advertise his product without any difficulty. Once a brand name becomes popular, people remember it for long.

**(iii) Protection of Goods:**

Generally, the branded products are packed in suitable containers or wrappers which provide protection to the goods against heat and moisture and facilitate convenient handling. The customers derive many other benefits from the branded products. They are assured of the quality of the branded products.

**(iv) Consumer Protection:**

The prices of branded products are fixed by the manufacturers and are printed on the packages. This protects the interest of the consumers because the retailers cannot charge more than the printed prices. The prices of branded goods remain fixed at different places and over a considerable period of time. They are not changed so frequently since it involves great inconvenience to the firm and a considerable cost in advertising the new price.

**(v) Wide Market:**

Branded products are quite popular and have wide market. The wholesalers and retailers readily handle the branded products which are advertised.

**(vi) Customer Loyalty:**

Branding ensures better quality at competitive prices. Branded products are available in all parts of the country at uniform prices. This tends to create brand loyalty on the part of customers. They ask for the goods by their brand name such as Tapal (tea leaves), Nescafe (Coffee), Shan (Iodised Salt), etc.