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# Question NO 1

# Carefully read the statements and choose the correct answer.

1. The buying process starts when the buyer recognizes a \_\_\_\_\_\_\_\_\_.

D) Problem or need

1. All of the following are accurate descriptions of modern marketing, EXCEPT which one?

C) Selling and advertising are synonymous with marketing

1. What is the person who buys a product called?

D) Customer

1. Which of the following is false regarding why a SWOT Analysis is used?

C) To reduce opportunities available to a business

1. Which of the following could be a weakness?
2. Poor quality of goods and services

**QUESTION NO 2**

**ANSWER**

**Problem Recognition**

The need was recognized when my old mobile phone stopped working. I was using Samsung J5 and suddenly it stopped working and when give for repair, I was informed that mobile cannot be repaired. The process of getting my mobile repaired took some 10days example for almost 10 days I was without a mobile phone. The need was felt when it was my birthday and I was not able to be in touch with my friends and family. Since I use my mobile even to surf my mails and internet I was not even able to do that .all this caused a lot of in convince and finally .i had to go for a new mobile phone.

**Information search**

For me my mobile phone is a high involvement product. Since from my college life with limited disposable income. I purchase a mobile once in a wile. I don’t change my mobile set unless and until it stops working and therefore at the time of making a decision to buy new mobile I went through all the various mobile phones valuable in my budgets and of my preferred brand. I always look for various offers and even compared rates of various stores and mobile dealers

**Alternative evaluation**

In identifying the various alternatives I went through various mobiles valuable of my preferred brand. I even discuss with my family members and friends about which mobile do they recommend. I met various dealers and stores to know the latest Samsung lunches and various offers available with all these dealers.no check out the rates and features I even visited various web sites where I compared all the features and prices of various brands valuable in my budgets.

Since I am Samsung loyalist so I never preferred changing my mobile brand. Although the other brand offers were really tempting but they were still not able to influence me to change my brand. The only issue was which mobile should go for. There were various mobiles valuable and were almost similar apart from some features difference and designs. Finally I decide to go for Samsung A30S which was economical had a good design was Samsung latest lunch and was satisfying almost all my needs

**Purchase decision**

Finally the action taken by me was purchasing Samsung A30S .the mobile store had offer of getting a mobile cover and screen glass on every purchase but some wow that model was not valuable with them. I waited for a few days and then finally bought the mobile from a store.

**Post purchaser behavior**

Am using the mobile since past months and till now am quite content with my decision .it’s working pretty well and is apt for me

**Question NO 3**

**Answer**

**List the key external environmental opportunities or threats that face the organization.**

**OPPORTUNITIES:**

* Huge potential market in middle east if PIA upgrades its fleet
* Better recruitment policy
* PIA has largest domestic network and by proper route planning PIA can generate huge amount of revenue with higher profit
* Low cost carriers
* Better training programs

**Having The Maximum Route And Fleet:**

PIA is having the maximum route and fleet domestic and international destinations network in Pakistan as compared to its Competitors. Route and fleet expansion will positively impact the company’s operations by increasing revenues.

**Growing Demand For Low Cost Airlines:**

The growing demand for air travel is driven by lower fares and consumer confidence. A survey by International Aviation Authority showed that ticket price is the number one criterion for passengers when selecting a flight, well ahead of the availability of a non-stop service.

**Shifting Customer Needs:**

The needs of air passengers are increasingly changing, as they are becoming more and more price sensitive. If PIA succeeds in making its prices more competitive, then the company will be able to gain significant market share.

**THREATS**

* Negative rising perception about country, regarding terrorism.
* Political instability and law and order situation.
* Rising fuel prices in the world.
* Barriers to investment for abroad due to country conditions
* High amount of loan
* Frequently rising airline fare.
* Fast growing domestic and international competitors.
* Effective promotion strategies adopted by other competitors like emirates, shaheen and air blue
* High Interest Rates:
* The past few years have seen State Bank of Pakistan impose high as well as low interest rates to check inflation and the overheating of Pakistani economy. Inflation in Pakistan may see another raise in the short-term.

**Strong Competition By Airblue:**

PIA is now competing against carriers such as Airblue and Shaheen Airline. PIA remains Airblue’s strongest competitor because of the huge market it has gained over time, strong brand image and customer loyalty.

Interest And Foreign Currency Exchange Rates:

Fluctuating foreign currency exchange rates can have a significant impact on PIA’s earnings. For example, as PIA is providing its services to the UK. Negative or positive effects arise from exchange rate movements as change in expenses.

**ii. What do you think are the organization’s main strengths and weaknesses?**

Strengths:

* PIA has status of being flag carrier of Pakistan and Picture of National animal of Pakistan( Markhor )
* People oriented Organization(no language problem)
* Highest market share at domestic network
* Booking offices in all major cities both at domestic and international.
* PIA has well established brand as its oldest airline in Pakistan.
* Govt.sponsored organization.
* Abroad Pakistanis prefer PIA(patriotism)
* Halal meat available at all flights
* Electronic ticketing by web and through SMS
* Highly professional staff
* Having government protection

Weakness:

* Old aging fleet of PIA causing higher operating cost.
* Less international traffic
* Over staffing(financial burden)
* Charging of higher fare as compared to compactors
* Lack of marketing activities as compared to competitors
* Poor quality of food/service
* Lack of professionalism
* Low salary of engineers

**iii. Suggest ways in which the organization might respond to the external forces.**

**Environmental Scanning:**

Goal achievement of any company is greatly influenced by the overall environment, so in PIA before doing strategic planning higher management also scans over all environment that involve internal and external environment both along with the analysis of firm’s industry.

**Strategy Formulation:**

Management at the top level of PIA utilizes all the information gathered by the lower management and formulate its strategies by using its strengths and availing its opportunities to overcome its weaknesses and threats so as to create competitive edge in the airline industry.

**Strategy Implementation:**

Implementation in any organization involves restructuring of firm’s resources and high level of motivation for lower and middle management. But in PIA strategy implementation becomes really complicated as they do not change their structures according to their new and modified strategies, and their employees are highly demotivated as their suggestions are not welcomed in formulating the strategies. Ultimately the strategies are misunderstood by them.

**Evaluation and Control:**

Implementation of strategies are evaluated and controlled by PIA’s higher management but they are very much rigid in making adjustments in their overall strategies.

**Vision:**

PIA Corporation has stated its vision as “To be fiercely competitive, consistently exceeding customer expectations and be the choice employer that embraces modern technology in all spheres of its activities”.

**iv. Recommend a possible marketing strategy which will ensure that the organization Matches its internal capabilities with external opportunities.**

PIA Corporation has stated its mission statement as “a symbol of national pride, aspired to be an airline of choice, operating profitably on modern commercial concepts and capable of competing with the best in the International as well as Domestic markets” (www.piac.com.pk, accessed date: 08/10/2010)

**Mission statement of PIA is mentioned in a way that:**

Employee team will contribute towards making PIA a global airline of choice through:

* Offering quality customer services and innovative products.
* Using state of art technologies.
* Ensuring cost effective measures in procurement and operations.
* Developing safety cultures.
* On Jan 15, 2010 strategic objectives of PIA were given in 33rd BOD meeting i.e.
* Introduction of new additional flights, real time tax revenue management system
* Introduction and success of Pakistan remittance initiative
* Increasing market share by 5 %
* Successful monitoring of routes

In PIA Mission and objectives are set by the higher management for the overall organization that provides track to middle and lower level employees so that they can bring the company at an established position because Higher management can not directly take part in improving customer satisfaction so team work is required from ticket reservation to landing of plane. Employees work in different teams such as office staff, ground staff, cabin crew and flight attendants as to perform day to day operations and to achieve overall objectives and mission.