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Q no 1 : Explain Difference B/w

Products and Services?

Ans : Products:

- 1 A product is tangible, it is physical and can be heard, seen and moveable.
- 2 Product value is derived by the customer.
- 3 Customer care of product is limited.
- 4 A product can be stored for future use.
- 5 A product can be owned.
- 6 The quality of a product depends its nature.
- 7 A product can be returned to the seller.
- 8 The billing process of a service is a once off transaction.
- 9 It is easy to compare quality of product.



10 product can be the billing process of a service once off transaction.

11 It is easy to compare quality of products

12 product can be quantified numerically.

### ★ Service

1 A service is intangible  
can only be felt and not touched

2 Value of service is offered by the service provider

3 Customer care forms critical component of marketing a services.

4 A services perishable and cannot be stored for later use or sale

5 A service cannot be owned by the consumer once payment has been made

6 Quality of a service depend on the service provider who shaped it.

7 A service cannot be returned to the seller.



- 18 Billing process can be continuous in the form of subscription for services rendered.
- 19 It is difficult to compare the quality of services offered.
- 20 Services cannot be Billing process can be continuous in the form of subscription for services rendered.
- 21 It is difficult to compare the quality of services offered.
- 22 Services cannot be quantified in terms of numbers.

## Conclusion.

Though terms product and services are often used interchangeably, it can be observed that they significantly differ. The major difference noted b/w the two is that a product is physical in nature and it is tangible. Quality of product is determined by customer while the quality of a service is determined by the provider. A product can be stored for future use or sale and it can be returned to the buyer if the need arises.



However, a service can be consumed the moment it is offered and cannot be stored for future use. A service cannot be returned to the service provider for any reason since it is not tangible.

**Q No. 2**

**Write details note on exchange processes with example?**

**Ans**

At the beginning of any marketing course or programme it is important to appreciate how exchange processes work. An exchange process is simply when an individual or an organisation decides to satisfy a need or want by offering some money or good or services in exchange. It's that simple, and you enter into exchange relationships all the time.

The exchange process extends into relationship marketing with relationship marketing we purposefully look



look at the long-term relationship with our target audience and aim to grow our business.

By delivering value to our customers we consistently nurture the relationship with customer.

Later in your studies you will come across relationship marketing and customer relationship management, which encompass the trait of a basic marketing exchange process and take it much further.

“Exchange is the act of obtaining a desired object from someone by offering something in return.”

### Q No. 3

What is the difference B/w Firm and industry?

Ans:-

Firm :-

A business (also known as an enterprise, a company, or a firm) is an organizational entity and legal entity made up of an



association of people be they natural gas legal, or a mixture of both who share a common purpose and unite in order to focus their various talents and organize their collectively available skill or resource to achieve specific declared goal and are involved in the provision of good and services to consumers. A business can also be described as an organization that provides good and services for human needs.

A company or association of persons can be created at law as legal persons can be so that the company in itself can accept limited liability for civil responsibility and taxation incurred as members perform (or fail) to discharge their duty within the publicly declared "birth certificate" or published policy.

Because companies are legal persons, they also may associate and register themselves as companies - often known as a



Corporate group. When company closes it may need a 'death certificate' to avoid further legal obligation.

## Industry:-

An industry is the production goods or related services within an economy. The major source of revenue of a group or company is the indicator of its relevant industry. When a large group has multiple sources of revenue generation, it is considered to be working in different industries.

Manufacturing industry become a key sector of production and labour in European and North American countries during the industry revolution, upsetting previous mercantile and feudal economies. This came through many successive rapid advances in technology such as the production of steel and coal.

Following the industrial revolution possibly a third of the economic output come from manufacturing.



industries. Many developing countries and many developing semi-developed countries (China, India etc) depend significantly on manufacturing industry.

Q No: 4

Explain external environment and its levels?

Ans:-

Definition of an External Environment:-

An external environment is composed of all the outside factor or influences that impact the operation of business. The business must act or react to keep up its flow of operations. The external environment can be broken down into two type :- The micro environment and the macro environment.

Type of External environments:-

Two type of External environment. these are.



## 1) Micro environment:-

The micro environment consists of the factors that directly impact the operation of a company.

## 2) Macro environment:-

The macro environment consist of general factor that a business typically has no control over. The success of the company depend on its ability to adapt.

⇒ Each type of environment has factors, or influences to take into account. we will review factor that a business typically has no control over.

The success of the company depends on its ability to adapt.

We will review factor for both micro and macro environments, as well as how they related to our gas station example.







