

المسألة 10

معركة دابة الفيل  
سنة 610  
اوله

1- Today's business is characterized by diversification, Identify them? Then, identify the geral goals of businesses?

10  
Marks

- A. **Concentric Diversification** - It refers to the process of adding new, but related products or services.
- B. **Horizontal Diversification** - Adding new, unrelated products or services for present customers is called horizontal Diversification.
- C. **Conglomerate Diversification** - It refers to adding new and unrelated products or services. Going international is yet another trend followed by modern business houses.

### 1.3 Business Goals

Student can identify only 5

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1. **Profit** - Making profit is the primary goal of any business enterprise.
2. **Growth** - Business should grow in all directions over a period of time.
3. **Power** - Business houses have vast resources at their command. These resources confer enormous economic and political power.
4. **Employee satisfaction and development** - Business is people. Caring for employee satisfaction and providing for their development has been one of the objectives of enlightened business enterprises.
5. **Quality Products and Services** - Persistent quality of products earns brand loyalty, a vital ingredient of success.
6. **Market Leadership** - To earn a niche for oneself in the market, innovation is the key factor.
7. **Challenging** - Business offers vast scope and poses formidable challenges.
8. **Joy of creation** - It is through business strategies new ideas and innovations are given a shape and are converted into useful products and services.
9. **Service to society** - Business is a part of society and has several obligations towards it.

- Identify the meaning of "Free Enterprise Economy", and explain its characteristics?

This economic system works on the least interference by the government or any external force. The primary role of the government, if any, is to ensure free working of the economy by removing obstacles to free competition.

A free Enterprise Economy is characterized as follows:

- Means of production are privately owned by the people who acquire and possess them.
- Private gains are the main motivating and guiding force for carrying out economic activities.
- Both consumers and firms enjoy the freedom of choice; consumers have the freedom to consume what they want to and firms have the choice to produce what they want to.
- The factor owners enjoy the freedom of occupational choice, i.e., they are free to use their resources in any legal business or occupation;
- There exists a high degree of competition in both commodity and factor markets and,
- There is least interference by the government in the economic activities of the people; the government is in fact supposed to limit its traditional functions, to defense, police, justice.

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- Define the term "Ethics"? then explain why businesses need business ethics?

The term ethics commonly refers to the rules or principles that define right and wrong conduct. Ethics is defined as the "Moral principles or beliefs about what is right and what is wrong". societies and businesses need business ethics for the following reasons:

Students can identify only 5

- a) Ethics corresponds to basic human needs. It is human trait that man desires to be ethical, not only in his private life but also in his business.
- b) Values create credibility with public. A company perceived by the public to be ethically and socially responsive will be honored.
- c) Management has credibility with its employees precisely because it has credibility with the public.
- d) An ethical attitude helps the management make better decisions, because ethics will force management to take various aspects- economic, social.
- e) Value driven companies are sure to be successful in the long run, though in the short run, they may lose money.
- f) Ethics is important because the government, law and lawyers cannot do everything to protect society.

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- **What is "Marketing Management"?, and summarize the various stages of Demand?**

Marketing Management is the analysis, planning, implementation, and control of programs designed to create, build, and maintain beneficial exchanges with target buyers for the purpose of achieving organizational objectives.

The Various Stages of Demand are identified in the following subsections:

- **Negative Demand:** A major part of the market dislikes the products and may even pay to avoid it.
- **No Demand:** Target consumers may be uninterested in the product. Thus farmers may not care about a new farming method, and college students may not be interested in taking foreign language courses.
- **Latent Demand:** Consumers have a want that is satisfied by any existing product or service. There is a strong latent demand for non-harmful cigarettes, safer neighborhoods, and more fuel-efficient cars.

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- **Falling Demand:** Every organization faces falling demand for one of its products. Organizations have seen their membership decline, and private colleges have seen fewer applications.
- **Irregular Demand:** Demand varies on seasonal, daily, or even hourly basis, causing problems of idle or overworked capacity. In mass transit, much equipment is idle during slow travel hours and too little is available during peak hours.
- **Full Demand:** The organization has just the amount of demand it wants and can handle. The marketer works to maintain the current level of demand in the face of changing consumer preferences and increasing competition.
- **Overfull Demand:** Demand is higher than the company can or wants to handle. National parks are overcrowded in summer times. The marketing task, called demarketing, is to find ways to reduce the demand temporarily or permanently.