Response to Questions

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Response to Questions

# Task 1

Usually, the marketing and selling concepts are considered as synonyms, but they are utterly different. Any business organisation generally goes to market with three concepts, the marketing concept, selling the concept and the production concept. The production concept is all about the idea that the basic product may not satisfy consumer needs, but it is priced attractively. Owing to this, customers might consider buying the product due to the price. The selling concept spins around the idea of an organisation exaggerating the product's benefits despite the knowledge that it will fail to deliver those benefits to boost sales. On the other hand, the marketing concept essentially is all about entering the market with the product, that satisfies all the needs of a certain market segment. It can fulfil customers' expectations, and the aim is to satisfy both the seller and consumer of the product.

About ten-fifteen or 20 years ago nobody cared what is marketing concept because everything was in shortage or unavailable, for example in India, there was only a Fiat car or an Ambassador car so no choice no need for marketing no need for sales teams no need for CEOs or Director sales operations whatsoever ..!!. If someone wanted a car payment, they had to pay advance check and wait for six months for their car to arrive. But since the whole world has landed into big-time consumerism and abundant products to choose from in every sphere, marketing and selling are made different notions. A marketing concept takes up before the sales happen, which will be based on trends and competition and of course the budget (Fanning, 2019). While the sales concept takes place where the manufacturer wants to just dump the product in the stores irrespective of the demand, such as clearance sale. Marketing needs budget and planning, but the sales concept is lacking those ideas.

At the end of the day, every business activity aims to reduce costs or generate revenue for the business organisation. The same goes for marketing activities, and marketing practitioners are also concerned with three financial objectives. These objectives comprise building the value for the business, increasing sales revenue, and reducing cost as a percentage of sales. A car dealership business is involved in selling new and used cars and sometimes also provides maintenance services for cars. The car dealership business using the selling concept will be aimed at convincing the customers towards the products and services, even if the car they are trying to sell may not satisfy their needs (Fanning, 2019). Their entire focus is on selling the product and transferring the title or possession. Generally, such as business has no long-term orientation, and their entire focus is on selling the product through strong promotion. On the other hand, the car dealership that has recourse to the marketing concept aims to meet satisfy customer needs and direct their products towards the customer's mind. They target their products on a certain segment, and the goal is to achieve customer satisfaction. These businesses have a long-term orientation, and hence, customer loyalty is their ultimate priority.

In this way, it is implicit that the car dealership business aimed at implementing the marketing concept in the business will definitely be able to attain the three financial objectives of marketing. Customer needs fulfilment and satisfaction are imperative for the business to build its value in the market. The business that centres its decision on customer satisfaction is able to attain high profit and more sales resulting from the positive word of mouth and customer referrals. The cost of marketing will also be reduced since satisfied customers bring more customers to the customers, besides they are always willing to pay the higher prices for the products due to their loyalty. The cost to attract a new customer is higher than that of cost to retain the acquired customers through services. Sales revenues in such a business are driven by customer satisfaction, and it is sustainable. Thus, the marketing concept will help car dealership to attain long-term financial objectives.

# Task 2

The buyer decision-making process comprises all the steps a consumer takes to make the purchase decision of a product or a service. A purchase decision is not a sudden decision, but it goes through different steps. This process is used by the consumers to make a transaction before, during and after the purchase. When it comes to the highly involved products, generally consumers take more time in each stage of the process. The stages of the consumer buying decision process are also referred to as the time zones. These three are summed up in purchase behaviour, product delivery, and post-purchase behaviour. The first zone is generally the pre-purchase time zone, the second time zone is about experiencing the values and experience, and the last zone is about the post-purchase behaviour. In the last stage, the consumer generally reflects on their experience after consuming the product or service.

Buying a car of a vehicle is not a simple decision as buying a notebook or a jacket. Car is a product that is considered as an investment decision as well. It all begins with the recognition of a particular need that a person feels to be satisfied. If one is contented and satisfied with using public transport or the bicycle, they will never think of buying a car. My decision to the car is followed by the realisation of an unmet need, and the need is strong enough that I have decided to act to fulfil that need. It is the start of the decision-making process. After deciding that I will buy a car, the first step I will take is to do an initial cost-benefit analysis, if I am able to purchase a car or not. If I find myself unable to buy the car, I will either withdraw or postpone my decision to the appropriate time. On the contrary, if I will have enough resources to fulfil my need, I will proceed to the next stage. At this stage, I will also consider the market conditions as if it is a suitable time to get the car. What are the buying regularity and taxation policies that I have to comply with? What if I spend my savings buying the car, what is my current disposable income etc.?

My commitment to the buying decision process will lead me to the next stages, such as information search, examining the quality of products, estimating opportunity cost, risk analysis and finally the product selection. Since, the car is a product that involves high involvement of customer's time, effort and money; it involves extensive decision making. That is why I will also seek advice from some experts, consultants and friends and family. I will consider a set of alternatives in making choices and factors that can impact the success of my buying choice. I will also sit down in a quiet room and ponder, do I really need a flashy and luxurious car? If I need flash to support my self-image, maybe I could benefit from building up MY self-confidence that would pay off in many ways. A flashy car only impresses shallow people. Are those the kind you want to impress? I will also consider my budget. I will also need to ensure I do not buy a vehicle which will cost more than my budget can cover. I will also include all costs, not just the price of the vehicle, things like insurance, registration, fuel, maintenance, and repairs. I will need to research pricing, learn about the invoice, the holdback, and any incentives. Furthermore, I will apply the lexicographic decision-making rule and will rank the product options according to my own preferences in terms of price and attributes.

The detailed information search will lead to information and knowledge about the variety of products. I will also evaluate the product based on its qualities, including functional qualities, spiritual qualities, emotional qualities, and temporal qualities. I will also be surrounded by a number of risks, and in the case of getting a car, financial risk is high. In orde4r to reduce the risks, I will seek some qualities in the product and will go for the product with the highest qualities and lowest risks.

**Task 3**

The total product is another major marketing concept that deals will be looking at the product in the totality of benefits and values. The total product is divided into three categories generally, product considerations, product layers and product components (Fanning, 2019). Product considerations are the concept that explores a number of components that help a marketer discover the nature of the product. All marketers consider these elements while designing the product. Hyundai Motor Co. is one of the largest selling vehicle producers, commenced its operations in 1967. It has a wide product portfolio, and it secures a position in the top 10 global automotive brands from the last 14 years.

Product Positioning is the position of the products of a brand that it sets in the minds of its target market. This strategy is adopted by the market practitioners to link a product with a specific category and then to communicate that position to the customers. Product positioning also guides the marketing strategy. Hyundai is one of the top-ranked automobile manufacturers, is highly focused on positioning strategy since it is one of the major growth drivers (Khan, 2018). It used a blend of product and value-based positioning strategies, aimed at enhancing the experience of its customers rather than merely selling its cars. Hyundai cars are purchased with the perception of some utilitarian or hedonic value in the minds of consumers. Every product in each category offers a different set of hedonic values to the customers. Owing to the high brand value, every consumer buys a product from every category with the perception of some utilitarian values in mind. Hyundai considers all the values while designing and marketing the products to different segments.

The company also categorises its products, and positions every product with a different image in the minds of its target market. A product category can be defined as the grouping of products that may satisfy one needs. Product categorisation helps buyers to the vehicle categories range from sports cars to commercial vehicles and Concept cars. Some of the categories of Hyundai cars are Sedans, Compacts, and a category of hybrids, fuel cells, plug-in, and electric cars, Crossovers or SUVs, etc. among each category. Under each product category, there is a product class. In addition, the Company offers the addition to one product line and every year produces the latest versions or models of its cars in each of the product lines (Taylor III, 2010). The complete range of products offered by the company is denoted by the term, product mix. The product mix of Hyundai includes commercial vehicles, engines, and automobiles. The most popular ones can be Santa Fe Sport, Tucson, Terracan, and Porter 2 in SUVs category, Hyundai 1620 urban bus, Mega Truck, Super Truck, Universe, Aero City, and Chorus, etc. Excel Electric-vehicle, TB Concept Car, i-oniq, Vision G and Clix, are famous among the concept cars. Amid these product lines, product depth and length also exist.

When it comes to the product encompassing high monetary and non-monetary costs and heavy investment, customers also seek warranties. In Australia, warranties generally have two types, pre-purchase and post-purchase. The former concerns law and customer rights. Companies use warranties to reduce customer perception of risk. Hyundai Australia claims that if offers warranties on all of its vehicles. The warranty is offered by Hyundai to get most of their experience with the Hyundai. All of the vehicles have some warranty, and it also offers additional coverage for Blue-Drive range and Accessories. On Passenger & Commercial Vehicles, the contemporary offer peace of mind for seven years. The latest Hyundai retail offer comprises 7 years of vehicle warranty, 7 years of protection and certain vehicles. For the purpose of quality assurance, their parts are also backed up by the warranty of one year (“Hyundai Warranty | Hyundai Australia,” n.d.). Along with that genuine accessory made by the company also come with a warranty of five years with the condition if some company authorised dealer fits them.

# Task 4

The previous task discussed the product considerations as one element of the total product. The other two are product layers and product components. Product layers help a marketer in positioning or repositioning of a product, and the layers can be denoted by core, actual and augmented product. The product components are a combination of six different components that help a consumer evaluate the product based on its components (Fanning, 2019). Every product available in the market is a mixture of some dominant and determinant components. Dominant components are related to the product whole the determinant components are related to the components other than a product. Six components of a product are goods, services, ideas, experiences, people and place. The local car dealership selected for this purpose is John Hughes, a local car retailer in Western Australia. The company deals in many car brands, including Volkswagen, Mitsubishi, Hyundai, Jeep, MG, LDV, Ford, and Kia. John Hughes lives up to its slogan, "Your car-buying destination."

The first product component when it comes to the car dealership is the good that is cars in this case. Goods are the material product properties that a customer can evaluate by senses. Car is categorised as a durable good since it offers utility for a longer period of time. The goods car dealer is selling is the most important component of the total product, it is the primary reason for which the customer is visiting a car dealer.

The second most important component in dealing with a car is ideas. As a product component, the idea is the information and knowledge shared that allows a customer to consider a product, compare it with the alternatives and ultimately make a purchase decision. In the purchase decisions of cars, ideas are more important. Information about the product must be shared with customers by the dealer so that the exchange takes place. Services are also embedded in the products, and they comprise of performance, acts, and deeds that can benefit the customer. It is the third most important product component. The service component is pivotal to bring goods to the market. The service component will always be there as the detriment component. Facilitating service makes the exchange happen while the supporting service helps the buyer in making purchase decisions. At John Hughes Group, superior customer service is the key, and the company aims at doing its best to satisfy its customers.

People component in a car dealership is the fourth most important component. Human interactions and qualities are imperative in the exchange process to happen in case of car deals. The car deader, John Hughes assist the customers in making a buying decision and facilitates them to attain high customer satisfaction. The fifth important component in the case of a car dealership is the experience component of the product (Fanning, 2019). Customers not only evaluate the experience of using the product or the service but also the experience during the exchange process. Experiences are the impressions of the customer after interacting with the good, the services and with the car dealers. Cars are selected based on the expected experience to be gained from using the car, and it is a determinant component in this case. Car manufactures, therefore, aim to increase customer experience resulting from the use of a product. Besides, the car dealers like John Hughes try to enhance their exchange experience as well as the post-purchase experience to keep the customer coming back.

The place is the last component, that deals with the physical setting where the exchange takes place. In the case of selling and delivering cars, the place of exchange is pivotal. This component of the product determines the good availability of its potential and actual customers. In some cases, it is also referred to as the availability of products at the desired time and location. The place also plays an imperative role because it interacts with the other product components John Hughes retail outlets are made according to the nature of products they are selling, and it is the value-adding a component.

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