Anjuman Islam Janjira Degree College of Science Murud-Janjira, Raigad-402401 Affiliated to University of Mumbai	
Class: -F.Y.B.SC (CS)	**Subject: - Marketing Mix (O.E I)**
Semester:- I	**Course code: -**
Exam Event:- Winter 2024 (SH)	**Marks: -30**
Date: - 26/11/2024	**Duration: - 01:00 Hours**

N.B. – 1 – All questions are compulsory.
2 – All questions have internal choice.
3 – Figures to the right indicate full marks.

Q1.A. Case Study Analysis: **10**

Apple Inc. is one of the most valuable technology companies in the world, known for its innovative products such as the iPhone, Mac, iPad, and Apple Watch. One key factor contributing to Apple's success is its pricing strategy, which positions its products as premium offerings in the market. Apple has mastered the art of combining product innovation with effective pricing techniques, making it a case study for strategic pricing.

Pricing Strategy Analysis

1. Premium Pricing Strategy

Apple uses a premium pricing strategy, where it sets higher prices for its products compared to competitors. This pricing method signals superior quality, innovation, and brand status. The company maintains a strong brand perception by focusing on product design, technological advancements, and a seamless ecosystem of devices that work together. For example, the latest iPhone model is usually priced higher than most smartphones in the market, reinforcing the idea that Apple offers a luxury product.

2. Price Skimming

Apple often employs a price skimming strategy when launching new products. This means the company introduces products at a high price to target early adopters who are willing to pay more for cutting-edge technology. Over time, as the product matures in the market and new models are introduced, Apple gradually lowers the price to capture more price-sensitive customers. This can be seen with products like the iPhone and MacBooks, where the latest models are priced at a premium, while older versions become more affordable.

3. Product Line Pricing

Apple uses product line pricing by offering different versions of the same product at varying price points. For instance, the iPhone is available in several models (such as the iPhone SE, iPhone 13, and iPhone 13 Pro) with different storage capacities. This allows Apple to cater to different segments of the market, from budget-conscious consumers to those willing to pay for premium features.

4. Psychological Pricing

Apple also utilizes psychological pricing, where products are priced just below a round number (e.g., $999 instead of $1,000). This technique is designed to make the price appear lower than it actually is, which can influence consumer purchasing decisions. This tactic reinforces the perception of affordability while still maintaining a premium position.

Questions and Answers:

1. Why does Apple continue to use a premium pricing strategy despite high competition?
2. How does Apple benefit from price skimming when launching new products?
3. How does Apple's product line pricing strategy cater to different market segments?
4. What are the risks associated with Apple's premium pricing strategy?
5. How does psychological pricing impact consumer perceptions of Apple's products?

Q2.A. Explain the important of product Positioning. **05**

B. Define branding. Explain the significance of branding. **05**

OR

A. What are the elements of marketing. 05

B. Discuss the product life cycles. **05**

Q3.A. Write the meaning of pricing and explain the objective of pricing. **05**

B. What are the factor influencing pricing policy. 05

OR

A. Discuss in detail pricing strategies. 05

B. Explain the significance of promotion 05