



**MBA DEGREE EXAMINATIONS: JUNE 2015**

(Regulation 2012)

Third Semester

**MASTER OF BUSINESS ADMINISTRATION**

MBA623: Marketing Management

**Time: Three Hours**

**Maximum Marks: 100**

**Case Study:-**

**PART A (1 x 20 = 20 Marks)**

1. India is among the hottest growth markets for AC makers, just like other consumer goods companies. Daikin entered India in 2000 as an 80:20 JV with Siddharth Shriram group company Siel. In 2004, it bought out Siel's 20% stake to make the Indian firm a wholly owned subsidiary. All these years, Daikin's sold bulk of its ACs to offices and factories and served only the upper middle class homes.

Since entry-level products are driving volumes across categories, the company could not afford to stay away from that segment for long. Daikin launched 14 models for homes last year and the starting model was only 10-15% costlier than similar models offered by the competition. Earlier the price gap used to be 50%.

Changing lifestyle, increasing disposable income, falling prices and wider availability have all contributed to the rise in air-conditioners sales. Demand is also rising in smaller cities and towns as well as more households join the buoying middle class segment.

With introduction of cheaper products, enhanced distribution network and aggressive promotional activities in the last one year, the company claims to have already increased its market share marginally which is encouraging and it wants to become one of the top three room air-conditioners marketers. The company plans to introduce more mass products, which account for more than 80% of the country's room AC market.

Questions :

Develop suitable promotional strategies for the company for the following segments :

- a) Home segment
- b) Offices and factories segment

**Answer all the Questions:-**

**PART B (10 x 2 = 20 Marks)**

2. Differentiate between Customer and Consumer
3. What is Marketing Myopia?
4. What is A Priori Segmentation?
5. Differentiate between Niche Marketing and Micro Marketing
6. State the different types of econometric forecasting methods
7. What is Customer Life Cycle?
8. What is Target Pricing?
9. Illustrate Product Width and Product Length through a simple Diagram.
10. Expand DAGMAR.
11. What are 'Vertical Marketing Systems'?

**PART C (4 x 15 = 60 Marks)**

12. a) Briefly discuss the different methods of designing a marketing organization. Suggest a marketing organization set up for mid-sized-pharma company dealing in OTC drugs and having a countrywide market. Justify your answer.

**(OR)**

- b) A multinational FMCG company known for its confectionery products is planning to launch a new brand of organic chewing gum in the Indian markets. This chewing shall be made available nationwide with regular and new fruit flavors. Design and illustrate a suitable STP programme for the above product. Assume your own brand name and clearly specify the target markets?

13. a) You are the brand manager of a new line of light weight, autofocus, and economically priced digital cameras. Describe how an understanding of consumer behavior will help you in your segmentation and promotion strategy. What are the consumer behavior variables that are crucial to your understanding of this market?

**(OR)**

- b) Office Needs, is a small chain of distributors of good-quality office furniture, carpets, safes and filing cabinets. Within each category, the company offers a wide variety of products with a great many variations of each product being offered. For instance, the company currently offers around 42 different designs of chairs and 23 varieties of office desks.

The company keeps in touch with contemporary advances made in the office furniture field worldwide and introduces those products which commensurate to the needs of the market in terms of design, workmanship, value for money and technical specifications. Office Needs trade only quality furniture which is sturdily constructed.

Simultaneously an important feature, the company feels, is the availability of a complete list of components of the furniture system. This enables the customer to add bits and pieces of matching designs and colour in the future. Such components are available for sale separately, Systems are maintained in stock by the company for a number of years, and spare parts for chairs and other furniture are always available.

The trade is currently witnessing a downtrend due to recession and players from local unorganised sector. Office Needs has also experienced the same over the last two years. In addition, it had to trim the profit margins. Last year, it barely broke even and this year it is heading for a small loss for the first time in the company's ten year history.

(a) Explain the term Product, Product line and Product mix in the context of the above situation.

(b) Advise the company in relation to its Product decisions and its effects on the company's image

(c) What strategy would you recommend to counter competition from the unorganized sector?

14. a) Define the usage multidimensional scaling techniques in marketing research. Develop an attitude scale , or a battery of attitude items to be used by a beer manufacturer inquiring about the product, its image on the following items: taste, costs, preference, calories quality and consumer expectations

**(OR)**

- b) Mohan and Shyam are two enterprising youth. They have passed out from a premier management institute. They decided instead of doing a job, they will launch fresh vegetables in Indian Marketing. Having learnt of the future conventional foods they decided to venture in to cultivation of mushrooms. Mushrooms are known to be the best alternative food for vegetarians. For Mohan and Shyam, fund raising was a serious handicap for Mass Production. However the first trial batch of mushrooms that hey produced was bought by star hotel in Pune. Further the hotel placed orders for supply of 20 kgs every day.

Mohan and Shyam want to sell mushrooms in a very big way all over India. How will you guide Mohan and Shyam to a) Formulate a Brand for their mushrooms b) To position their brand c) What are the different brand strategies that you could recommend to them ?

15. a) What are the objectives of Sales Promotion? As a Sales Manager, you have been assigned the task planning the Sales Promotion program of a ready-to-go meal. Discuss the steps that you would follow for effective planning and management of the said program. Suggest suitable sales promotion techniques that would boost the sale of the above said product

**(OR)**

- b) ABC is a well-known brand in the cement industry. It has a large distribution network of around 8000 plus stockists and 20 C and F agents. During the last decade the company's market share has gradually declined to 15% from earlier 30%. About a couple of years ago, the brand opened its first company-owned retail outlet called "ABC Ki Duniya" (World of ABC). The outlet reassures the customer about the genuine material, and encourages interaction besides displaying a range of refractory and aluminium based products. This type of outlet is also likely to enhance the company's image. Taking into consideration the cement market and the commoditised nature of the product, comment on the pros and cons of an outlet of this kind. Would such outlets alone enhance sales? Justify

\*\*\*\*\*