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**Presidency University**

**Bengaluru**

**SCHOOL OF MANAGEMENT**

**MAKEUP examINATION – SEP 2023**

**Course Code**: MGT132

**Course Name**: Marketing Management

**Program**: BBA (Aviation)

**Date**: 30-09-2023

**Time**: 9.30AM to 12.30 PM

**Max Marks**: 100

**Weightage**: 50%

**Part A (Memory Recall Questions)**

**Answer all the questions. Each question carries THREE marks. (10Qx3M=30M)**

**1.**To be branded, products must be differentiated. At the other extreme are products capable of high differentiation, such as automobiles, commercial buildings, and furniture. Here the seller faces an abundance of differentiation possibilities. Buyers expect a high quality,the degree to which all produced units are identical and meet promised specifications. Suppose Colvo 950 is designed to accelerate to 70 miles per hour within 09 seconds. If every Colvo 950 coming off the assembly line does this, the model is said to have highly competitive. In this above case identify the unique parameter of product differentiation Colvo 950 offers. **(CO3, Knowledge)**

a. Performance b**.** Conformance

c. Reliability d. Durability

**2.**Laiso is the famous one-price Japanese livingware store that recently opened in Kuala Lumpur, Malaysia. Primarily based on the extreme routine low price and modeled after Japanese 100 Yen shops, the chain has 2,500 stores in Japan, 975 in South Korea, and 522 stores overseas, including the United States, Singapore, and Australia. Laiso is the ideal place for an enjoyable, fast, cheap, and easy shopping experience where everything sells at the same low fixed price; for example, in the Kuala Lumpur store, each item is 5 Malaysian ringgits, or approximately $1.49. Each store stocks a range of kitchenware, tableware, bathroom accessories, house ware, storage units, and skin care products from Japan. Laiso stores in Kuala Lumpur also introduced imported Japanese products that were not available there before, such as sweet and savory Japanese crackers, confectioneries, and *furikake*or Japanese savory rice-sprinkles. In fact, Laiso stores sell more than 90,000 products and introduce 1,000 new ones every month. In the context of above case:Identify the pricing method being implemented by the company. **(CO3, Knowledge)**

1. Value pricing b. Going-rate-pricing

c. EDLP d.Mark-up pricing

**3.**The direct-broadcast satellite service provider faces competition on several fronts: from classic cable companies from other direct broadcast satellite service providers (Dish), and from alternate ways to watch television digitally through downloads and streaming (Hulu, Netflix, and Amazon). The world’s leading provider of digital television entertainment services, DirecTV carries the slogan “Don’t Just Watch TV, DirecTV,” reflecting the unique identity it has crafted thanks to a combination of features not easily matched by any competitor. The company puts much emphasis on its comprehensive set of sports packages, its wide array of HD channels, and its broad broadcast platform that lets customers watch programming on their TVs at home and on their laptops, tablets, and cell phones. With its Genie service, users can record as many as five shows at once. In exaggerated fashion, its “Get Rid of Cable” TV ad campaign shows how customers who get mad at cable have their lives turn for the worse through a series of unfortunate events. DirecTV has made a strategic targeting shift to focus on “high quality” and premium services. In the context of above case: how company can reap the benefits of carving out a unique space in the marketplace. **(CO4, Knowledge)**

a. By Segmentationb. By Targeting

c. By Positioningd**.** By Communication

**4.** The marketplace is dramatically different from even many years ago, with new marketing strategies, opportunities, and challenges emerging. Samiro ltd. needs a reliable marketing information system to closely monitor its marketing environment so it can continually assess market potential and forecast demand. Its marketing environment consists of the internal environment and the external environment. Which of the following is not part of the external marketing environment that affect marketing information system? **(CO-2, Comprehension)**

1. Political b. Legal
2. Product d.Socio-Cultural

5. When Nintendo designed its Wii game system, when Apple launched its iPad tablet computer, and when Toyota introduced its Prius hybrid automobile, these brands were swamped with orders because they had designed the right product, based on careful marketing homework about consumers, competition, and all the external factors that affect cost and demand. Today's marketers need is **(CO-2, Comprehension)**

a. Neither creativity nor critical thinking b.Both creativity and critical thinking skills

c. Critical thinking skills bit not creativity d. Creativity but not critical thinking

6. When IKEA noticed that people wanted good furnishings at substantially lower prices, it created knockdown Furniture. It demonstrated marketing savvy and turned a private or social need into a profitable business opportunity. Which of the following statements is correct about marketing? **(CO-1, Comprehension)**

a. Marketing is the term used to refer only to the sales function within a firm.

b. Marketing managers usually don't get involved in production or distribution decisions.

c. Marketing is an activity that considers only the needs of the organization, not the needs of society as a whole.

d.Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large

7. Many years ago, McCarthy classified various marketing activities into marketing-mix tools of four broad kinds, which he called the four Ps of marketing, which of the following does not relate to marketing mix **(CO-4, Knowledge)**

a. Distribution b. Product

c. Target marketd. Pricing

8. Losing profitable customers can dramatically affect a firm’s profit s. The cost of attracting a new customer is estimated to be five times the cost of keeping a current customer happy. The key to retaining customers is **(CO-4, Knowledge)**

a. Selling b. After sales-service

c. Financing d.Relationship marketing

9. For marketers, sometimes it is challenging to track when a need is triggered among customers as it eventuates at category level rather than the brand level. A key marketing scheme is when consumers initiate deliberate possible offerings to match up to their requirements, to inculcate the brand into customers' consideration set. Marketers’ job comprises of expanding visibility of the brand and intensifying crucial grounds for consideration. Identify the stage of customer life cycle in this scenario.

**(CO-5, Knowledge)**

a. Reach b. Act

c. Coverage d. Engage

10. Company X has decided to retain its customers through promotional schemes like discounts, free gifts etc. These schemes are also offered to new customers without any differentiation between new and present customers. As retention of customers is cheaper than acquiring new customers, what should the company do?

**(CO-5, Knowledge)**

a. Stop offering discounts to new customers**.** b. Give more discount to retained

customers.

c. Keep the discount same for both. d. Stop acquiring new customers.

**Part B [Thought Provoking Questions]**

**Answer all the questions. Each question carries EIGHT marks. (Q5x8M=40M)**

11. A major cellular service provider, TELCare, hired the service of synergy marketing, anagency specialized in devising the loyalty programs, to prepare an innovative customerloyalty program. The initiatives sought to improve the customer acquisition and retentionrates of the cellular phone customers, in a market of fierce competition. The programme implementation calls for an accurate tracking of the customer behaviorusing control groups – customers like those in the loyalty programme who were not offeredmembership in the programme. By comparing the behavior of the customer in the loyaltyprogramme with those not in the programme, the financial impact of the loyalty programmecould be very precisely determined. Since the programme is not going to be advertised, butinformed through the mail to specific customers, a perfect “blind test” of loyalty programmeeffectiveness can be created in the cellular market. Discuss the suitable communication plan for the company to build up sustainable customer relations. **(CO5, Comprehension)**

12. German Phone Company was confronted with the following question: How do we leverage the enormous amount of data we collect to provide a unique and valuable customer experience? The answer was a combination of predictive behavior analysis and proactive proposal generation. This operator uses call data and demographic data to score each customer on key relationship dimensions. Profitability and behavior are cataloged to create a unique customer profile. These profiles then become the basis for proactively tailored, one-to-one marketing campaigns, delivered directly to customers’ handsets. In turn, the operator has been able to reduce customer turnover significantly and increase the average profitability of its mobile customers. Discuss the customer profiling as a CRM approach for German Telephone Company.

**(CO5, Comprehension)**

13. Roche is one of the world’s leading research-based healthcare organizations, active in the discovery, development and manufacture of pharmaceuticals and diagnostic systems. The organization has traditionally been product-centric and quite poor in customer management. Roche’s customers are medical practitioners prescribing products to patients. Customer information was previously collected through several mutually exclusive sources, ranging from personal visits to handwritten correspondence, and not integrated into a database or central filing system, giving incomplete views of the customer. Roche identified the need to adopt a more customer-centric approach to understand their customers better, improve services offered to them and to increase sales effectiveness. Explain the personal selling contribution to enhance for Roche performance. **(CO3, Comprehension)**

14. The Mapple incorporation is in rapidly growing markets with large market shares. These businesses represent the best long-run opportunities viz growth and profitability in the firms’ portfolio. They require substantial investment to maintain and expand their dominant position in a growing market. This investment requirement is often in excess of the fund that they can generate internally. Therefore, these businesses are often short-term, priority consumers of corporate resources. The product portfolio includes m-Phone, m-Pad, Lacbook, and m-pod. Being a strategic marketing manager in the enterprise explore the BCG matrix for the company product portfolio.

**(CO-2 Comprehension)**

15. Lamayas holidays chain offer their guest real Indian experience. Multicuisine, dance, arts, music, architecture. Lamayas inculcates every flavor of local culture into its services. Lamayas spa and resorts is well known service provider in the industry. Lamayas holidays have pan India operations vizLamayas lake, Lamayas hill, Lamayas reef chains at different location in India. In this situation you are required to apply Porter’s five force model to explore the sustainability of the company.

**(CO-2 Comprehension)**

**Part C [Problem Solving Questions]**

**Answer all the Questions. Each question carries FIFTEEN marks. (2Qx15M=30M)**

Read the following case carefully and discuss the following questions.

**Consumer Perspective**

Consumers have put their very real environmental concerns into words and actions, focusing on green products, corporate sustainability, and other environmental issues. Here are highlights of some notable studies.

• WPP Green Brands Study. The WPP Green Brands Study surveys 9,000 people in eight countries and evaluates 370 brands. In 2011 it found consumer interest in green products had expanded to auto, energy, and technology sectors in addition to personal care, food, and household products. Sixty percent of consumers stated they wanted to buy products from environmentally responsible companies. In developed countries such as the United States and United Kingdom, 20 percent were willing to spend more than 10 percent extra on a green product. Consumers in developing countries put even more value on green products: Ninety-five percent of Chinese consumers, for example, said they were willing to pay more for a green product.

• Greendex. A collaboration between National Geographic and environmental research consultants GlobeScan, Greendex is a sustainable consumption index of actual consumer behavior and material lifestyles across 17 countries. It defines environmentally friendly consumer behavior in terms of people’s transportation patterns, household energy, resource use, and consumption of food and everyday goods and how well consumers minimize their environmental impact. The 2012 survey found the top-scoring consumers in developing countries: India, China, and Brazil in descending order. Developed countries scored lower, with U.S. consumers lowest, followed by Canadians, Japanese, and the French.

• Gallup. Gallup has consistently found U.S. consumers are most concerned about pollution of drinking water, rivers, lakes, and reservoirs and maintenance of fresh water for household needs and least concerned about global warming. Overall, the 2012 survey showed all ratings at lower levels than their 2000 peak as more U.S. adults feel environmental conditions in the United States are improving.

• GfK Roper. The 2012 GfK Roper Green Gauge Study showed key aspects of “green” culture—from organic purchase to recyclability— have gone mainstream. U.S. consumers increasingly turn to digital devices to learn about the environment and share their green experiences. During slow economic recovery, however, paying significantly more to be environmentally friendly was becoming a barrier for many consumers. Interestingly, although some marketers assume younger people are more concerned about the environment, some research suggests older consumers actually take their eco-responsibilities more seriously.

**Company Perspectives**

In the past, “green marketing” programs were not always entirely successful. Those that were persuaded consumers they were acting in their own and society’s long-run interest at the same time by buying, for instance, organic foods that were healthier, tastier, and safer and energy-efficient appliances that cost less to run. Some green products have emphasized their natural benefits for years, like Tom’s of Maine, Burt’s Bees, Stonyfield Farm, and Seventh Generation. Products offering environmental benefits are becoming more mainstream. Part of the initial success of Clorox Green Works household cleaning products, launched in January 2008, was that it found the sweet spot where a target market wanting to take smaller steps toward a greener lifestyle met a green product with a very modest price premium and sold through a grassroots marketing program. The recession took its toll on some newly launched green products, however, and Green Works and similar products from Arm & Hammer, Windex, Palmolive, and Hefty found sales stalling. Some consumers have also become more skeptical of green claims that are hard to verify. One challenge is the difficulty consumers have in experiencing or observing the environmental benefits of products, leading to accusations of “greenwashing” where products are not nearly so green or environmentally beneficial as their marketing might suggest. Some experts recommend avoiding “green marketing myopia” by focusing on consumer value positioning, understanding what consumers know and should know, and credible product claims. During tough economic times especially, having the right value proposition and making sure green products are seen as effective and affordable are critical. (CO2, Application)

16. Companies are changing the way they view environmental issues, being at top managerial level, discuss, how corporate environmentalism recognizes the need to integrate environmental issues into the firm’s strategic plans? **(CO3, Application)**

17. Discuss the how green marketing can contribute in cultivating customer’s environmental concern and sustainability, also discuss the association between green marketing and relationship marketing? **(CO5, Application)**