

MBA 2<sup>nd</sup> sem (New)  
25 (2) MKMN 201 (N)

2011

MARKETING MANAGEMENT

Paper : 201

( New Syllabus )

Full Marks : 70

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

Answer Question No. 7 and any four from the rest

1. (a) "Critics state that marketing goes beyond satisfying customers' needs and expectations." If so, explain briefly how 'everything matters' with marketing at the present context. 8
- (b) "If performance matches the expectations, the customer is satisfied." Why then marketers try to create value for customers? 6
2. (a) Explain the underlying concept of segment marketing. With suitable examples, discuss how marketing-mix elements are tailored for different market segments. 9

all-400/1040

( Turn Over )

- (b) Define the concept of any *one* pricing method :
  - (i) Promotional pricing
  - (ii) Product line pricing
  
- 3. (a) Discuss the concept of point-of-parity and point-of-differences. How are these used for positioning a product in a target market? Cite examples.
  
- (b) Explain any two factors that influence the consumer adoption process.
  
- 4. Agri Chem has introduced an innovative new product—a combination of fertilizer and weed killer, an insecticide that makes it much easier for soya bean farmers to produce profitable crops. The product introduction was quite successful, with 11 million units sold in the year of introduction. And Agri Chem profits are increasing. Total market demand is expected to grow at a rate of 2000000 units a year for the next five years. Even so Agri Chem's marketing managers are concerned about what will happen to sales and profits during this period. Based on the past experience with similar situations, they expect one new competitor to enter the market during each of the next five years.
  - (a) What are the pioneer advantages in the introduction stage of product life cycle?

- (a) What strategies should Agri Chem take when it would face high competition and stagnant market?
  
- (a) What strategies a new firm may take to enter into Agri Chem's market?
  
- (a) Explain the different types of conflicts that arise in the distribution channels. What measures do you suggest to control them?
  
- (b) Procter and Gamble want to enter the health soup market that is made up from vegetables, proteins and fiber, and will be positioned as 'complete meal'. Suggest which type of new product strategy, offensive or defensive is suitable to this new product. Also list out the challenges to be faced in the process of new product development.
  
- (a) What is the key focus of all brand equity models? Discuss any one of the brand equity models.
  
- (b) Explain briefly the key elements of a marketing plan.

7. Read the case carefully and answer the given questions :

**Maxwell Ltd.**

The President of Maxwell Corporation is considering whether the company should set up its own distribution system or whether it should outsource the entire distribution and logistics function to a third-party service provider.

The company has set up a manufacturing plant at Vizag where wide range of orthopaedic equipments viz., crutches, wheel chairs, walkers, back braces, elastic bandages, etc., are manufactured. Presently, the finished goods warehouse is located at Vizag itself and the products are sent to all major towns in India. The company is supplying these equipments directly to retail stores at all these locations. Marketing activity is headed by a General Manager, Marketing based at Vishakhapatnam who is supported by a sales team comprising of Sales Officers.

The demand of the product has grown up substantially and ORG-MARG had forecasted a growth rate of 3% annually for the industry as a whole. This is because the products are also used in cases other than purely orthopaedic cases. But the company has not much used promotional measures (like advertising, publicity, etc.). It is felt that all

the customers want quick response to their orders as the products are catered to emergency patients. But these retail outlets carry only very limited inventories. This is due to the fact that most of the products come in a variety of styles, shapes and sizes and the requirement is more customers driven and keeping even a moderate inventory of all types is economically not viable and leads to development of dead stocks in the long run. It is looking at options like—

- (i) setting up of hub of distribution network zonewise or regionwise together with a mother warehouse in each region;
- (ii) setting of central warehouse anywhere in central India;
- (iii) changing the distribution channel from the present numerous retail outlet systems to a more efficient system;
- (iv) outsourcing the entire distribution and logistics to a third party.

**Questions :**

- (a) Identify the channel objectives for Maxwell and then recommend suitable channel distribution by stating its advantages to Maxwell. Also help Maxwell to determine the channel levels and types of intermediaries.

(b) As Maxwell is in the growth stage, help it to design an effective promotional-mix which will aid its channel management.

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