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**Internal Assessment Test - 2**

Sub:	Marketing Management						Code:	22MBA15	
Date:	18/05/'23	Duration:	90 mins.	Max Marks:	50	Sem:	I	Branch:	MBA / Sec-A
<b>SET- I</b>									

		Marks	OBE	
			CO	RBT
<b>Part A - Answer Any Two Full Questions ( 2* 20 = 40 marks)</b>				
1 (a)	<b>What is a potential product? Judge the need for companies to develop potential products.</b>	[03]	CO3	L5
	<b>Answer:</b> This includes all the augmentations and transformations a product might undergo in the future. To ensure future customer loyalty, a business must aim to surprise and delight customers in the future by continuing to augment products. It also helps the company to keep their brands relevant to the future generations it plans to serve.	[07]	CO3	L5
(b)	<b>What is PLC in marketing? Recommend a suitable strategy for a product in its maturity stage.</b>			
	<b>Answer:</b> PLC is the short form of Product Life Cycle. It's a concept in marketing which states that every product passes through a series of phases/stages in its life cycle - Birth/Introduction, Growth, maturity and Declines stages.			
	<b>Marketing Strategies for Maturity Stage:</b> In this stage, competitors have entered the market. There is severe fight among them for more market share. The company adopts offensive/aggressive marketing strategies to defeat the competitors.			
	<b>Following possible strategies are followed:</b>			
	<b>1. To Do Nothing:</b> To do nothing can be an effective marketing strategy in the maturity stage. New strategies are not formulated. Company believes it is advisable to do nothing. Earlier or later, the decline in the sales is certain. Marketer tries to conserve money, which can be later on invested in new profitable products. It continues only routine efforts, and starts planning for new products.			
	<b>2. Market Modification:</b> This strategy is aimed at increasing sales by raising the number of brand users and the usage rate per user. Sales volume is the product (or outcome) of number of users and usage rate per users. So, sales can be increased either by increasing the number of users or by increasing the usage rate per user or by both. Number of users can be increased by variety of ways.			
	<b>There are three ways to expand the number of users:</b>			
	i. Convert non-users into users by convincing them regarding uses of products			
	ii. Entering new market segments			
	iii. Winning competitors' consumers			
	Sales volume can also be increased by increasing the usage rate per user.			

**This is possible by following ways:**

- i. More frequent use of product
- ii. More usage per occasion
- iii. New and more varied uses of product

**3. Product Modification:**

Product modification involves improving product qualities and modifying product characteristics to attract new users and/or more usage rate per user.

**Product modification can take several forms:**

**i. Strategy for Quality Improvement:**

Quality improvement includes improving safety, efficiency, reliability, durability, speed, taste, and other qualities. Quality improvement can offer more satisfaction.

**ii. Strategy for Feature Improvement:**

This includes improving features, such as size, colour, weight, accessories, form, get-up, materials, and so forth. Feature improvement leads to convenience, versatility, and attractiveness. Many firms opt for product improvement to sustain maturity stage.

**Product improvement is beneficial in several ways like:**

- (1) It builds company's image as progressiveness, dynamic, and leadership,
- (2) Product modification can be made at very little expense,
- (3) It can win loyalty of certain segments of the market,
- (4) It is also a source of free publicity, and
- (5) It encourages sales force and distributors.

**4. Marketing Mix Modification:**

This is the last optional strategy for the maturity stage. Modification of marketing mix involves changing the elements of marketing mix. This may stimulate sales. Company should reasonably modify one or more elements of marketing mix (4P's) to attract buyers and to fight with competitors. Marketing mix modification should be made carefully as it is easily imitated.

(c) **Recommend any 5 pricing strategies relevant to luxury watches.**

[10]

CO3

L5

**Answer:**

- 1) Following strategies can be adapted for luxury watches by the marketers.
- 2) Variable price
- 3) Optimised discounts
- 4) Skimming pricing
- 5) Premium pricing
- 6) Psychological pricing

2 (a) **Explain why a distribution channel is often referred to as 'Value Network'.**

[03]

CO4

L2

**Answer**

A network which creates partnership and value in purchase, production and selling of products is referred to as value network. Value network looks at the whole supply chain system players as partners rather than customers. The purpose of value network is to increase productivity, save cost and increase revenue.

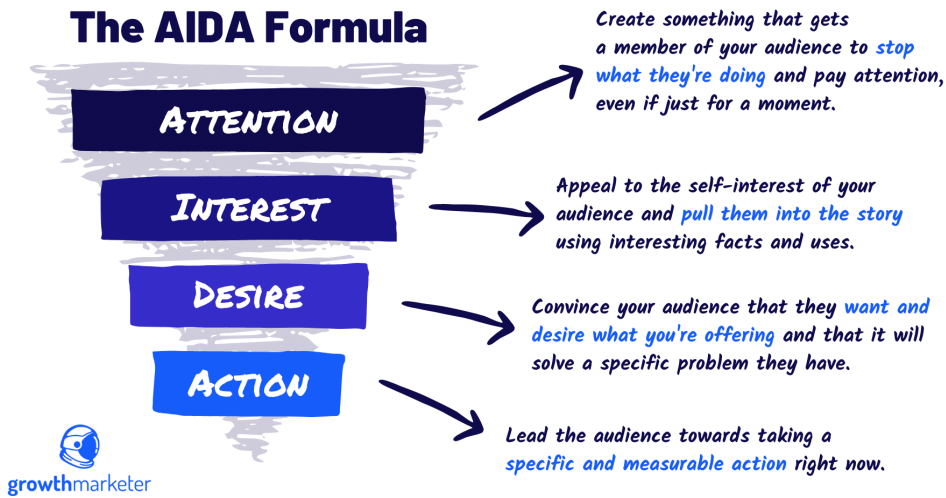
(b) Apply AIDA model of product promotion to a brand new AR/VR Headgear.

[07]

CO4 L3

**Answer:**

Apply the following to the given products



(c) Determine what kind of channel conflicts would occur in the consumer electronics market. Also assess how they can be resolved.

[10]

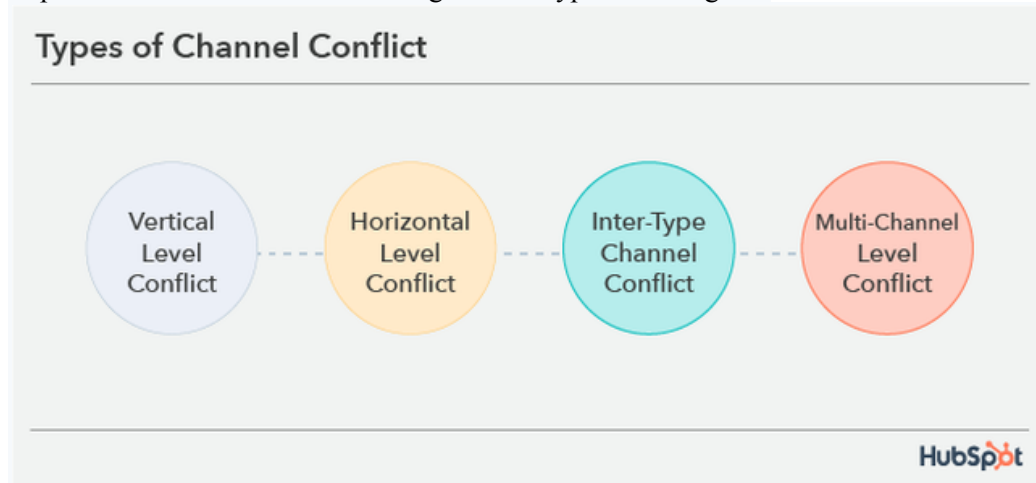
CO4 L5

**Answer**

Channel conflict occurs when brands interfere with their partners' ability to sell and distribute products to customers. It typically occurs when a brand begins selling its products directly to consumers, disrupting channel partnerships with distributors, retailers, and agents who typically serve as intermediaries.

**Types of Channel Conflicts**

Explanation on each of the following conflict type must be given



**Conflict Resolution Techniques**

1. Resolution through Mitigation
2. Resolution through Conciliation
3. Resolution through Arbitration
4. Resolution through Regulation/Litigation

3 (a)	<p><b>What is psychological pricing? Give some examples.</b></p> <p><b>Answer:</b>          Psychological pricing is a strategy based on the idea that certain prices psychologically affect consumers in different ways.Examples are:</p> <ol style="list-style-type: none"> <li>1. Charm/Odd-number pricing</li> <li>2. Prestige pricing</li> <li>3. BOGO</li> <li>4. Artificial Time Constraints</li> <li>5. Price Bundling</li> <li>6. Flash Sales</li> <li>7. Price Matching</li> <li>8. Anchored pricing</li> </ol>	[03]	CO3	L1
(b)	<p><b>What is a new product? Recommend various steps to be followed in developing new product for a fashion accessory company.</b></p> <p><b>Answer:</b>          A new product is a product that is new to the company introducing it even though it may have been made in the same form by others.</p> <p>Apply the below stages to the given product</p> <div data-bbox="194 824 1232 1256" data-label="Diagram"> <pre> graph LR     A[Idea generation] --&gt; B[Idea screening]     B --&gt; C[Concept development and testing]     C --&gt; D[Marketing strategy and business analysis]     D --&gt; E[Product development]     E --&gt; F[Test marketing]     F --&gt; G[Product launch]   </pre> </div>	[07]	CO3	L6
(c)	<p><b>Justify the need for segmenting the market for watches. Develop segmentation strategies for a watch brand.</b></p> <p><b>Answer:</b>          Segmentation helps marketers to be more efficient in terms of time, money and other resources. Market segmentation allows companies to learn about their customers. They gain a better understanding of customer's needs and wants and therefore can tailor campaigns to customer segments most likely to purchase products.</p> <p>Elaborate on the following illustration:</p>	[10]	CO5	L6



that Campa has built throughout the course of its existence. Additionally, Campa has an effect of nostalgia which helps RCPL to regain a market for it.

- (b) Assume that Campa successfully passed through the ‘Introduction’ phase of its PLC. Recommend suitable marketing strategies for Campa fortis ‘Growth’ phase outfits PLC. [5]

**Answer:**

Apply the following to the Campa:

Marketing strategies used in the **growth stage** mainly aim to increase profits. Some of the common strategies to try are:

1. improving product quality
2. adding new product features or support services to grow your market share
3. entering new markets segments
4. keeping pricing as high as is reasonable to keep demand and profits high
5. increasing distribution channels to cope with growing demand
6. shifting marketing messages from product awareness to product preference
7. skimming product prices if your profits are too low

The growth stage is when you should see rapidly rising sales, profits and your market share. Your strategies should seek to maximise these opportunities.

CO3	L5

Course Outcomes (COs)		P O 1	P O 2	P O 3	P O 4	P O 5	P S O 1	P S O 2	P S O 3	P S O 4
<b>CO1:</b>	Comprehend the concepts of Marketing Management.									
<b>CO2:</b>	Gain knowledge on consumer behavior and buying process									
<b>CO3:</b>	Understand concept of Product and Brand Management, Branding and Pricing strategies			1(b) 1(c) 3(b)	1(a) 3(a)		1(a) 2(a) 3(a) 4(a)	1(b) 1(c) 2(c) 4(b)	2(b) 3(b) 3(c)	
<b>CO4:</b>	Identify marketing channels and the concept of product distribution, techniques of sales promotion	2(a)		2(b)	2(c)					
<b>CO5:</b>	Simplify ideas into a viable marketing plan for various modes of marketing	4(a)		4(b)	3(c) 4(c)					

Cognitive level	KEYWORDS
L1 - Remember	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2 - Understand	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3 - Apply	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4 - Analyze	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5 - Evaluate	asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6 - Create	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

**PO1–Theoretical Knowledge; PO2–Foster Analytical and Critical Thinking Abilities for data based decision making; PO3– Develop Value Based Leadership; PO4 –Ability to Understand and communicate various business aspects to global; PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;**

**PSO1- Comprehend Contemporary features of Business Management Science and its administration**

**PSO2- Analyze and interpret the dynamic situations for m**

**PSO3- Handle responsibility with the ethical values for all actions undertaken by them**

**PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.**

**CI**

**CCI**

**HOD**