

**MBA - MARKETING/FINANCE/HR/
PRODUCTION & OPERATIONS
MANAGEMENT (MBABM)**

Term-End Examination

December, 2015

MBME-009 : MARKETING STRATEGY

Time : 3 hours

Maximum Marks : 100

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- Note :** (i) *Section - I is compulsory. Section - I carries 30 marks.*
- (ii) *Section - II; Answer any five questions. Section - II carries 70 marks.*
- (iii) *Assume suitable data wherever required.*
- (iv) *Draw suitable sketches wherever required.*
- (v) *Figures to the right indicate maximum marks.*
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SECTION - I

1. ITC launches Vivel, Superia and Fiamas soaps in a market which shows a category penetration of 97%. Explain the strategy of ITC when. **10**

Characteristics of a mature market are :

- (a) High category penetration
- (b) Tough competition from HUL, Godrej and P&G
- (c) Market saturation
- (d) Lack of non users

**Does it make sense for ITC to adopt a strategy of launching new products in this category ?
Provide a rationale behind the same.**

2. Why doesn't Royal Enfield enter the mass market when it has an established brand and at the same time competition at the upper end seems to be getting heated and Enfield seemingly losing its niche position in the Indian market ? Harley Davidson, Triumph etc. are adopting a deep niche or a focused differentiation strategy.
3. Amway is a global company which has built its success on direct selling. Direct selling is different from traditional distribution channels. Amway has 3 million independent business owners world wide. Amway manufactures and distributes over 450 different products including household goods, cosmetics and food supplements. Hair care products are a successful product line for Amway. It is a highly competitive market and as a result of which Amway has invested heavily in MR and R&D. The market for hair care products is enormous and continues to grow. The largest market is western Europe. Other markets like the Asia Pacific region are also slated to grow. Consumers are becoming more demanding and looking for high quality products that are convenient to use and time efficient. The biggest growth area is slated to be the two in one (Shampoo and conditioner) for busy people. Consumers are demanding the same quality as available in salons. Scientific research calls for heavy investment beyond the capabilities of small organizations. To continue in the market calls for heavy investment in R&D. This is to extend the PLC and stay ahead of the competition.

Satinique was launched after substantial R&D. It uses the most advanced ceramide technology. How this works require substantial knowledge of

human hair. Human hair has 3 layers the medulla the core, the cortex the inner layer and the cuticle which is the outer layer. Ceramides keep the cuticle healthy. The cuticle is affected by modern lifestyles Amway has to decide how this is to be marketed and this is the responsibility of the marketing team.

- (a) What could be the goals and objectives for Satinique ? 5
- (b) How will the marketing team define the target market ? 5

SECTION - II

- 4. **Entry barriers** are an **inherent advantage** over others planning to enter the market. One must identify **entry barriers** and their **relative importance**. The entry barriers could **differ** at different stages of **product market maturity**. They also differ between consumer and industrial markets, for example, distribution and differentiation are very important for consumer markets.
Explain the above using 7 concepts of entry barriers and defining each entry barrier. 14
- 5. What are the variables that one could use in analyzing business competitive position and industry attractiveness ? 14
- 6. How does product management differ from general marketing management ? Explain this with reference to scope, nature of responsibility and time horizons involved. 14

7. How do buyer considerations, product characteristics and financial considerations affect an organizations distribution strategy ? 14
 8. What are the factors that influence a marketers decision about how pricing will be used in the marketing strategy ? Elaborate on the same using 4 broad factors. 14
 9. Elaborate on the important influences on a sales organization design and what are the important questions that one should answer in the process. 14
 10. Elaborate on the concept of brand positioning and 7 variables that one may use for the same. 14
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