MANAGEMENT PROGRAMME

Term-End Examination

December, 2010

17534

MS-6: MARKETING FOR MANAGERS

Time: 3 hours

Maximum Marks: 100

(Weightage 70%)

Note:

- (i) Attempt any three questions from Section-A.
- (ii) Section-B is compulsory.
- (iii) All questions carry equal marks.

SECTION-A

- 1. (a) What do you understand by the term 'marketing mix'? How would the marketing mix strategies vary during different stages of the product life cycle?
 - (b) Explain the three additional marketing mix elements required in marketing of services, giving suitable examples.
- 2. (a) From a consumer behaviour perspective, why is it incorrect to view India as a single market?
 - (b) Explain the stages in the new product development process.
- 3. (a) For each of the following products, should the seller adopt a market skimming or a market penetration pricing strategy? Support your decision in each instance
 - (i) High fashion garments.
 - (ii) Exterior house paint.
 - (iii) PC gaming software.
 - (b) Explain the tasks that have to be accomplished as part of physical distribution.

- **4.** Write short notes on **any three** of the following:
 - (a) Perceptual mapping technique.
 - (b) Applications of marketing research.
 - (c) Functions of packaging.
 - (d) Promotion Mix.
 - (e) Limitations of cyber marketing.

SECTION - B

5. Study the following case and answer the questions given at the end.

TEXTBOOK QUOTES

Quotation 1 (By Hammer and Champy):

Since the early 1980's, the dominant force in the seller-customer relationship has shifted. Sellers no longer have the upper hand; customers do. Customers now tell suppliers what they want, when they want it, how they want it, and what they will pay. This situation is unsettling to companies that have known life only in the mass market. In reality, a mass market never existed, but for most of the twentieth century the idea of the mass market provided manufactures and service providers with the useful fiction that their customers were more or less alike.

Now that they have choices, though, customers no longer behave as if they are all cast in the same mould. Customers — consumers and corporations alike — demand products and services designed for their unique and particular needs. There is no longer any such notion as 'the' customer; There is only 'this' customer, the one with whom a seller is dealing at the moment and who now has the capacity to include in his or her own personal tastes. The mass market has broken into pieces, some as small as a single customer.

Quotation 2 (Joseph Pine II).

People do not like hard-sell tactics, but they will tolerate them to acquire something they really want. If what they purchase turns out to be not quite what they wanted, their dissatisfaction with the product is magnified by their dissatisfaction with the sales tactics.

The basic problem (in years gone by) was that the focus of the marketing function of mass producers was not on marketing — it was on selling, on 'pushing product'. Selling is a necessary part of the marketing function, but marketing is so much more, as management guru Peter Drucker observes:

"There will always, one can assume, be need for some selling. But the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself. Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available".

Questions:

- (a) Market segmentation is based on the proposition that customers can be categorized according to their typical wants, needs and expectations. What is the future of segmentation, given the views of Hammer and Champy?
- (b) Even if Drucker is right in claiming that the aim of marketing is to make selling superfluous, what are the practical problems associated with 'knowing and understanding the customer so well that the product or service sells itself'?
- (c) To what extent do the arguments advanced in both quotations apply to the public sector organizations?