

02030

MANAGEMENT PROGRAMME

Term-End Examination

December, 2010

MS-63 : PRODUCT MANAGEMENT

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.*
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SECTION - A

1. (a) Taking the example of a refrigerator, explain the core benefits, the tangible aspects and augmented features of a product.
- (b) Name any two products that in your view are in the decline stage of the life cycle. What recommendations do you have for rejuvenating the demand for either of these products ?

2. (a) With the help of an example explain the following pricing methods :
- (i) Cost Plus Pricing
 - (ii) Giving Rate Pricing
- (b) Discuss the strategic relevance of branding for marketers. What are the challenges in branding commodities like wheat flour, salt, sugar, etc ?
3. (a) What are the sources of new product ideas ? Briefly explain the technique of brainstorming for generating new product ideas.
- (b) Discuss the importance of Industrial Designing in product development.
4. Write short notes on *any three* of the following :
- (a) Product Management Decisions
 - (b) Social aspects of packaging
 - (c) Organising for new product development at the corporate level
 - (d) Sales forecasting methods
 - (e) Test marketing

SECTION - B

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

Launching of Popcorn Machine

Mr. Mohan, The Director of Durable Products Pvt. Limited is seriously considering the launching of a miniature popcorn making machine in The Indian market. The idea of launching the popcorn machine occurred to Mr. Mohan during his visit to Japan. As he himself said. "In one of our recent visits to Japan, my family picked up a popcorn maker for our home. On our return we found all our family members, especially kids enjoyed having it. Since the consumers in India have of late shown interest in using several such gadgets leading to convenience and fun, we felt that it would be profitable to manufacture and market this product in India".

The Durable Products Pvt. Ltd. Started as a small scale unit to manufacture ceiling and table fans, but later started manufacturing water heaters, coolers, hot air blowers and some other home appliances. It expanded its distribution network to different states in the country. The company appointed agents for selling its products in most of the state capitals. The company mainly depends on its agents for sales. It also has a small sales force of about twelve persons, who tour all

the sales territories advised the agents and other middlemen and helped them in sales promotion.

For designing the new product, the company took the Japanese model and employed reverse engineering to develop a modified version of the product to suit the Indian requirements. The marketing manager of the company contacted Mr. Mohan that a few years back another appliance manufacturer tried to introduce a similar product but couldn't succeed. The failure, it seems was because of poor quality of the product, lack of promotions, high price and weak marketing strategy. Also popcorn in many middle-class homes are prepared in the pressure cookers.

Questions :

- (a) Identify the market segment(s) that the company should exploit. Suggest alternative positioning bases which the company can use.
- (b) Suggest a suitable brand name for the product. Justify your choice.
- (c) Design an appropriate marketing-mix for launching the popcorn machine.