

Section A

PGDM 15-17
Marketing Management -I
DM-104

Trimester – I End-Term Examination: September 2015

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. In case of rough work please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	$3 \times 5 = 15$
B	2 out of 3 (Long Questions)	10 Marks each	$2 \times 10 = 20$
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section C

TURN OVER

Section A

Q1. Many people criticize marketing as being manipulative based on the arguments that marketing activities create needs where none previously existed. Marketers of SUVs, tobacco products, diet programmes and luxury products are typically criticized. Given what you know about the differences between needs and wants, do you agree with these critics? Explain.

Q2. With the help of a diagram outline the VALs model? Would this model be applicable to the Indian consumer? Give reasons for your answer.

Q3. Describe, with the help of a diagram, Porter's 5 Forces Model, as applicable to a Service organization of your choice operating in the beauty - care and fitness industry. Based on this model what is your assessment of the industry attractiveness?

Q4. Critically analyze Porter's generic marketing strategies. Why should you not follow a middle - of - the - road strategy? Give real life examples of companies following each of the three strategies he recommends.

Q5. "Understanding the motivation of a firm's non customers is as important as understanding its customers". How can a firm reach out to non - customers and convert them into customers? In what way would Herzberg's two factor theory be relevant in this regard?

Section B

Q1. Depict with the help of a diagram the concept of Value Chain as posited by Michael Porter. Explain its relevance and utility to a large IT company such as WIPRO or TCS clearly distinguishing between Primary and Support activities.

Q2, As Product Manager in an Indian company selling high – end watches you are studying the competition as a prelude to introducing a new line of men's luxury watches. Draw a competitive grid for your product along with **any two** of the competitors from among Tag Heur, Rolex and Cartier. Based on your study, outline your Marketing Strategy (STP).

Q3, Compare and contrast any 2 large Retail Chains operating in the Indian market. How has each positioned itself? As their new Marketing Manager what significant changes in their Marketing strategies / Brand Image would you want to implement ?

Section C

Answer all the three questions following the case commencing on the next page. All questions carry equal marks

The India soap market consists of more than 100 brands, however not all are successful and have their presence felt in the market. The soap category is divided into three segments, i.e., economy (like Lifebuoy), popular (like Lux, Hamam, etc.) and premium (like Vivel, Lux international, Dove, etc.) segments. Soap marketers are one of the huge spenders on marketing research.

WIPRO'S NEW ENTRY: SANTOOR:

With the help of marketing research, Wipro found an opportunity to make an entry in the popular soap segment category and introduced a sandalwood-turmeric based soap called "Santoor".

Phase I:

Before introducing Santoor, the company tested seven different concepts in the market, of which the sandalwood-turmeric concept was liked by the majority. It gave the benefit of skin care and beauty together and

Also since Santoor was still new in the market, its brand loyalty was not too good and the consumers were ready to switch their brands. Looking at the huge potential that Santoor had, Wipro appointed Draftfcb-Ulka the responsibility to handle the situation. The agency carried out research to identify the response of the consumers towards Santoor and beauty soaps in general. It was found that the product had a very small user base of only those who wanted sandalwood based soap. On other parameters like fragrance, good for skin, lathering effect, etc., Santoor was a successful product. However, Santoor was seen as a traditional middle class brand, whose woman was neither noticed nor looked up to.

Thus, Santoor had to retain its existing users and along with it go for new users. It had a tough challenge of offering the same value to its existing users and at the same time attract the non-users. Hence, it had to change its product image from a middle class woman to a "younger looking skin", on one hand and to keep its ingredients sandalwood and turmeric intact on the other.

The agency then planned its advertising strategy keeping the above fact in mind and then positioned it as "good for skin-younger looking skin". It also followed the idea of a "mistaken identity" in its ad to recute the younger looking skin promise saying "*meri*

saved the time of the consumers, who used to make the paste of sandalwood and turmeric to apply it on their face to look beautiful. The brand name Santoor was derived from the first three letters of both the ingredients "san" dalwood and "tur" meric. At that time Moti and Mysore Sandal were the only sandal based soaps available in the market but they were in the premium category. The company test marketed the product in Bangalore in 1985, and based on the feedback obtained, laid more emphasis on its ingredients and strengthened its perfume/fragrance. The product saw a good acceptance among consumers and trade people.

Phase II:

Santoor was doing very well for two to three years of its launching. But afterwards, the price of all the popular soaps had to be increased due to the increase in the prices of vegetable oils (used in determining the lathering ability), packaging costs and imposition of excise duties. Santoor was badly affected with this.

twacha se meri umar ka pata hi nahin chalta". The product was a huge success and has not looked back since 1989, though it has undergone some changes in its products like packaging, fragrance, etc.¹⁵

Santoor now enjoys the position of third largest soap brand in India and is the largest selling brand in southern parts of the country.¹⁶

With the changing role of women in recent times, on the 25th anniversary of the brand Draftfcb Ulka has created a new milestone for Santoor while keeping the core value of the product, i.e., providing younger looking skin intact. It has modernized the brand by changing its logo, the old pack and developed new tagline—"skin that lies about you age" for the brand. Its ad shows a beautiful woman of today in all spheres of life—a photographer, musician, choreographer, etc. who come together to cover off the "sunhera" Santoor.¹⁷

Questions

1. In a highly competitive market with so many brands available, is it viable to look beyond the functional benefit of the product?
2. Wipro is targeting its brand Santoor towards women. Is its strategy correct, when most of the other companies in the market are targeting their products towards the whole family?

3. As Marketing Consultant to Wipro suggest what Marketing Strategy it should follow for the next 5 years.