

PGDM (Insurance Business) 2014-16
Sales & Marketing Management
INS-104

Trimester – I, End-Term Examination, September, 2014

Time allowed: 2½ Hours

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.

Note : - *Please be relevant and brief in your answers.*

- *Section C is compulsory.*

- *Do not write anything on this question paper except your roll no.*

Section-A

Attempt any 3 questions . Each question carries 5 marks. (Min. words 150)

- A-1. Marketing basically is an exchange process. Do you agree with this ? Explain in brief.
- A-2. How changes in the legal environment effect the marketing strategies ? Explain with few examples .
- A-3. Define & differentiate between market research and marketing research.
- A-4. What is brand equity ? Write brief notes explaining the two main views about it
- A-5. Describe in brief the three distribution channels used in insurance industry in India.

Section-B

Answer any 2 Questions Each Question carries 10 marks. (Min 250 words)

- B-1. What is product portfolio analysis ? How does it help in formulation of marketing strategies ?
- B-2. Indian consumer market has changed a lot in last two decades. Identify and discuss in brief few of the drivers of change.
- B-3. "Digital" is likely to influence the insurance marketing in India soon. Identify the reason for such hope and the specific areas where the impact would be visible first.

Section-C

Case Study

15 Marks

Maggi Noodles was launched in 1982 by Nestle India Limited as 'Maggi 2-Minute Instant Noodles' under the prepared dishes category. Since then, Nestle has stood its ground firmly in India, by setting its foundation as a well known brand offering solutions to customers' wants in different segments. Maggi Noodles is one of those brand names for which the quote 'I came, I saw, I conquered' is apt. The brand replaced the famous Indian desi snacks such as Samosas and Kachoris with a hot bowl of Maggi Noodles.

Maggi used the tagline of 'fast to cook, easy to eat' to woo Indians in early eighties. Maggi understood the customers' inertia and apathy to try new things. Indian customers, at that time, were exhibiting interest in Chinese Noodles, and Maggi launched its noodles to take advantage of this craze. It offered convenience to the housewives, without undermining their involvement with their kids. The masala flavor made its way into the minds of the customers, and Maggi found its place in the monthly budget plan of a household. The use of brand elements such as the tagline 'fast to cook and good to eat' and its catchy jingle, 'Mummy bhokh lagi hai' (Mummy, I am hungry) helped in positioning the brand in the minds of the customers. Maggi targeted the mothers with the convenience it offered and children with the fun element. The advertising campaign was followed by promotional activities such as trial pack distribution in schools.

During the nineties, competitors like Indo-Nissin launched Top Ramen- a similar product but with a twist in the taste. This ate into Maggi's market share. In 1997, Maggi tried innovating and a new flavoring agent named 'tastemaker' was added. However, this did little to recapture their lost market share and Maggi Masala Noodles was completely phased out. For two years, Maggi experimented with its noodles and a number of new variants were tried, including the Maggi Macaroni. However, none of these innovations helped Maggi regain its erstwhile glory.

Finally, it reintroduced its original Maggi Noodles Masala in 1999, but this time, keeping in mind the market trend, they gave it a twist of being 'tastier' and 'healthier'. This proportion did wonders for them and within a year, it went back to becoming the market leader. The recall power of Maggi was so strong that eliminating the competition became easy for Maggi.+

The Indian instant noodles market is expected to grow from \$1.3bn to \$30-35bn by 2015. However, with all FMCG majors eyeing the instant noodles segment, Maggi noodles is once again facing stiff competition. Organizations such as ITC, Glaxo Smithkline, and Big Bazaar have come up with their own variants of instant noodles. The market has been flooded with brands such as Yippee, Foodles, and Tasty Treat. Maggi has also started exploring new variants to combat competition and is coming out with new flavors. Now, it is for us to wait and see how Maggi manages to retain its market share in the face of rising competition from FMCG majors.

- 1) Do traditional eating habits influence the positioning strategy for food products?
- 2) Discuss the factors that led to the decline in market share of Maggi noodles in the nineties.
- 3) Discuss the repositioning strategies Maggi noodles may adopt in order to combat rising competition from FMCG majors.

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