

PGDM 2013-15
Marketing Management I
DM - 104

Trimester – I, End-Term Examination: September 2013

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

TURN OVER

Section A

(Answer any 3 questions out of 5)

Max 300 words per answer

1. Trace the various stages through which Marketing has developed since the 1950s to the present stage of Social Responsibility Marketing.
2. Describe with the help of a diagram Porter's 5 Forces Model as applicable to an organization of your choice providing higher education in India.
3. In what ways can Customer Psychographics be used by firms in the automobile business to market their products to better suit customer requirements?
4. What are the risks associated with high growth markets? How would a savvy marketer attempt to neutralize them?
5. Do you agree that Kotler's updating of Mc Carthy's Marketing Mix to the new 4 Ps: People, Processes, Programs and Performance, is an improvement? Give reasons for your answer.

Section B

(Answer any 2 questions out of 3)

Max 600 words per answer

1. Compare and contrast any 2 popular national restaurant 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?
2. Give examples of 3 different companies each following a different form of Generic strategy as defined by Porter. How has each benefited from its strategy decision?
3. Show the flow of activities from Corporate Objectives to development of a Marketing Plan? Take a company of your choice and develop a hypothetical Marketing Plan clearly delineating the separate critical components.

Section C

Read the case on the next page and answer the questions that follow. All questions carry equal marks.

MARKET INSIGHT 6.5

MAGGI INSTANT NOODLES: 2 MINUTES TO GLORIOUS 25 YEARS

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 favourite Indian desi snacks such as samosas and kachoris with a hot bowl of Maggi Noodles.

Maggi used the tagline of 'fast to cook, good to eat' to woo Indians in the early eighties. Maggi understood the consumers' inertia and apathy to try new things. Indian consumers, 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 housewife and at the same time did not undermine her involvement with the kids. The masala flavour made its way in to the minds of the consumers, and Maggi found a place in the monthly budget plan of a household.

The use of brand elements such as its tagline 'Fast to cook and good to eat' and its catchy jingle, 'Mummy bhook lagi hai' (Mummy I am hungry) helped in positioning the brand in the minds of its customers. Maggi targeted 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 flavouring agent named 'tastemaker' was added. However, this did little to recapture their lost market share and Maggi Noodles Masala was completely phased out. For two years, Maggi experimented with its noodles and a number of new variants were tried, including the Maggi Macaroni.



Maggi logo
Courtesy: Nestle India

However, none of these innovations helped Maggi regain its erstwhile glory.

Finally, it re-introduced the original Maggi Noodles Masala in 1999, but this time, keeping in mind the market trend, they gave it a twist of being 'healthier' and 'tastier'. This proposition 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 Yippie, Foodles, and Tasty Treat. Maggi has also started exploring new variants to combat competition and is coming out with new flavours. 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.

Sources: Chamikutty (2010); Sharma (2010); Das (2007); Tomar (2011); Dutta (2012); and ICMR (2012).

- 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.