

PGDM (Retail Management), 2013-15
Marketing Management-I
Subject Code: RM-102

Trimester-I, End Term Examination: September 2013

Time: 2.5 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.

There are three sections in this question paper. Specific instruction as regards to the number of questions to be attempted is given. Students are expected to follow the same and write the question numbers correctly.

Section A

Attempt any three questions. Each question carries five marks.

- Q1. When the Indian market is price value conscious, companies cannot really go and persuade the customers to pay more for better service. Do you agree? Give your rationale behind the quality insensitivity of Indian customers.
- Q2. In the political-legal environment, marketers must work within the many laws regulating business practices and with various interest groups. Comment using an industry example from the retail industry.
- Q3. Make a list of five brands in Indian market which have been surviving for more than twenty years. Find out the reasons of their survival and growth.
- Q4. Choose a consumer product or service. How can you get current customers of the product or service to buy more? Illustrate some of the marketing strategies for the same.
- Q5. Choose a product that is in an early stage of the product life cycle. Also choose a product that you believe is a matured product. How is the marketing different for the two products?

Section B

Attempt any two questions. Each question carries ten marks.

Q1. A multinational company, manufacturing sports shoes and entering the Indian market for the first time, has appointed you as its marketing manager. Prepare a marketing plan keeping in mind the influence of internal and external factors.

Q2. 'Zhandu balm' is there in Indian market for decades and the company plans to reposition the brand in order to rejuvenate the brand image. What options are really available to the company? Suggest at least three positioning options with their rationale to reposition the brand in the Indian market.

Q3. In the event of failure of direct methods, indirect methods can be used for generating new product ideas. Do you agree with the statement? Explain the methods and sources of new product idea for a fast moving consumer good like an herbal tooth paste.

Section C (15 marks)
Case study (compulsory)

Case –II

ITC Cigarettes

Over the years, ITC has evolved from a single product company to a multi-business corporation. Its businesses are spread over a wide spectrum, ranging from cigarettes and tobacco to hotels, packaging, paper and paperboards and international commodities trading. Each of these businesses is vastly different from the others in its type, the state of its evolution and the basic nature of its activity, all of which influence the choice of the form of governance. The challenge of governance for ITC therefore lies in fashioning a model that addresses the uniqueness of each of its businesses and yet strengthens the unity of purpose of the Company as a whole. Globalization will not only significantly heighten business risks, but will also compel Indian companies to adopt international norms of transparency and good governance. ITC's governance policy recognizes the challenge of this new business reality in India.

ITC was incorporated on August 24, 1910 under the name of 'Imperial Tobacco Company of India Limited'. Its beginnings were humble. A leased office on Radha Bazar Lane, Kolkata, was the centre of the Company's existence. The Company celebrated its 16th birthday on August 24, 1926, by purchasing the plot of land situated at 37, Chowringhee, (now renamed J.L. Nehru Road) Kolkata, for the sum of Rs 310,000. This decision of the Company was historic in more ways than one. It was to mark the beginning of a long and eventful journey into India's future. The Company's headquarter building, 'Virginia House', which came up on that plot of land two years later, would go on to become one of Kolkata's most venerated landmarks. The Company's ownership progressively Indianised, and the name of the Company was changed to I.T.C. Limited in 1974. In recognition of the Company's multi-business portfolio encompassing a wide range of businesses - Cigarettes & Tobacco, Hotels, Information Technology, Packaging, Paperboards & Specialty Papers, Agri-Exports, Foods, Lifestyle Retailing and Greeting Gifting & Stationery - the full stops in the Company's name were

removed effective September 18, 2001. The Company now stands rechristened 'ITC Limited'.

Though the first six decades of the Company's existence were primarily devoted to the growth and consolidation of the **Cigarettes and Leaf Tobacco** businesses, the Seventies witnessed the beginnings of a corporate transformation that would usher in momentous changes in the life of the Company. Still the major pie comes out of cigarette business. Recently government has put a ban on advertising of cigarettes in Indian market in any form. Please visit the website www.itcportal.com and answer the following questions

1. *What problems do you think ITC is going to face in the future due to ban in cigarette advertising?*
2. *How uncontrollable is the legal environment in the case of ITC cigarette operations in India? Should they lobby to lift the ban on cigarette advertising? If no, how should they promote their brand?*
3. *What other environmental factors other than legal environment is likely to influence the marketing mix of ITC cigarettes?*