

PGDM (IB), 2015-17
Marketing Management -2
IB-204

Trimester – II, End-Term Examination: December 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*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

(Q2 is compulsory. Word limit per answer is 50 words)

Q1. What do you think are the distribution drawbacks of the exclusive marketing channel distribution strategy adopted by Apple for its products?

Q2. The Skymet weather advertisement has used a unique marketing communication to reach out to its target audience. What's the tool?

Q3. What are the various steps to reduce channel conflicts in distribution?

Q4. Explain the benefits and challenges of an intermediary. Give 2 examples each from product and service industry.

Q5. In the era of integrated marketing communication how do you think the use of digital marketing lends a multiplier affect both positively and negatively? Illustrate with an example.

Section B: (Word limit per answer is 100 words)

Q1. The celebrity chef Sanjeev Kapoor is associated with 'Yellow Chilli' a series of restaurants. He stars in his own ground breaking chef/ food based TV programmers, and has a number of books and other business interests. Discuss the view that celebrities cannot be brands as they do not meet the common brand criteria.

Q2 A range of scenarios are presented below in which you are given some information on the price context. What pricing policy would you use when setting the price in the following situations (state the assumptions under which you are working)?

(a) The owner of a newly refurbished, themed pub in a central city location (e.g., Kolkata or Hong Kong) wants to set prices for his range of beers with the objective of attracting a new customer base.

(b) The product manager at Toyota wants to set the price range of the Mini SUV Rush. Inspired by the looks of the Fortuner, Rush is to come with a 1.5 lit diesel engine. Toyota Rush is expected by the end of 2013.

(c) You are the manager at a large well known consulting services organization (i.e. BCG) in Sweden, and your client a 20 million pounds turnover medium sized import / Export Company commissions a study from you on how they can improve their marketing operations. What further information would you require in order to price such a study, and what pricing approach would you adopt and why?

Q3. (a) When a product is very valuable, do you think it is harder or easier to set its price? Why? (b) What approach to pricing is used by the company Hermes for its expensive Birkin bag when they give it to high value customers who've spent a small fortune on other expensive items? (c) What other luxury products can you think of which are priced at very high levels? (d) Why do you think some people continue to buy them, do you think?

Section C (Word limit for the case study is 150 words)

Most Trusted Brands 2015: The methodology of selection

By ET Bureau | 25 Nov, 2015, 05.19AM IST
Post a Comment

Conducted by Nielsen, Most Trusted Brands remains among the largest researches of its kind in India, with a design sample of 7,200 - distributed across socioeconomic classifications, age, income and geography.

This year, at the first stage, sales and media visibility data was analyzed to arrive at a list of brands for further discussion and short listing for the MTB 2015 consumer survey. After considerable brainstorming between Brand Equity and the research team at Nielsen, a few brands from the list were dropped and new ones were added. 56 new brands were added to the list this year - replacing brands scoring very low in previous year's ranking. Categories such as mineral water made way for more contemporary ones like e-commerce and services. In total, 373 brands were considered for the consumer survey this year.

Respondent profile

- Chief Wage Earner (CWE) iV The person who makes the highest contribution towards

household upkeep.

COVERAGE

The study was carried out in the following 12 cities across India.

Zone	Pop starta classification	City
North	Top 4 Metro	Delhi
	10L-40L	Lucknow
	5L-10L	Chandigarh
East	Top 4 Metro	Kolkata
	10L-40L	Patna
	5L-10L	Bhubaneswi
West	Top 4 Metro	Mumbai
	40L+	Ahmedabad
	10L-40L	Indore
South	Top 4 Metro	Chennai
	40L+	Bangalore
	10L-40L	Vijayawada

- Housewife (HW) Any married female and unemployed, age 15-60 years
- Youth -15-25 years and not CWE/HW
- Older - 26-60 years and not CWE/HW.

The survey was restricted to NCCS (New Consumer Classification System) AB with a view to focusing on the prime target audience for most branded products and services.

Brands & attributes

All brands were divided into 12 different panels; each panel was exposed to a matched set of respondents .. The list of statements used to evaluate the most trusted brands and the attributes they represented.

Statements	Attributes represented by the statements
ATTR1:	Always maintains a high level of quality Quality
ATTR2:	It is worth the price It commands Value for Money
ATTR3:	I would always recommend this brand to my family and friends Recommendation
ATTR4:	This brand meets my needs. Understanding consumer need

Brand evaluation:

Stage 1: Each respondent was asked to indicate the familiarity for each brand on a four-point scale. The scale range would be: 1 - I have not heard of this brand; 2 - I have heard of this brand, but know nothing about it; 3 - I have heard of this brand and know a little about it; 4 - I have heard of this brand and know it quite well

Stage 2: The respondent evaluated all brands that have been rated by him/her, 3 or 4 on the familiarity scale stated above. Those who rated a brand 1 or 2 on familiarity scale were not asked to evaluate the brand (their individual brand trust score is considered to be 0)

- **Overall rating :** The evaluation was done at an overall level for each brand by indicating his/her rating on a 10 point scale where 1 stands for 'Extremely poor' and the 10 for 'Perfect in every way'

- Respondents were then asked to respond to a battery of four statements that define brand trust on '1' to '10' scale where '1' would mean that the statement 'doesn't apply to the brand at all' and '10' would mean that the statement is 'completely applicable to the brand'.

Stage 3: The final brand rating is arrived at through the following steps:-

- **Step 1:** Calculate a brand trust score for each respondent = $[(0.5 \cdot \text{Overall}) + (0.5 \cdot (\text{Attr1} + \text{Attr2} + \text{Attr3} + \text{Attr4}) / 4)]$

- **Step 2:** Multiply the brand score by the familiarity score /weight. This were either 3 or 4 as those rating the brand 1 or 2 on familiarity are directly considered to have a brand trust score of 0

- **Step 3:** The total of all the brand scores (across respondents) is calculated and then

divided by the total number of respondents (including those who give brand scores of 0) i.e. the average is taken on the overall base of respondents who were asked about that brand, i.e. coded 1/2/3/4 in familiarity scale. to get the overall brand score Thus, the final score for each brand is on a base of all respondents, irrespective of their level of familiarity.

This final rating for all the brands is directly compared and sorted in descending order to determine the Most Trusted Brands.

Taking a look at the most trusted brands in 2015

By ET Bureau | 25 Nov, 2015, 05.20AM IST

Keeping track of a brand's relationship with its customers is tough. One day it's all roses, rainbows and happy endings; the next it's a tragic, vodka-fuelled Russian novel. Just consider what happened to Maggi, arguably one of the year's biggest corporate stories. The controversy over harmful levels of lead and MSG in Maggi tastemakers got its 2-minutes of fame when it consumed our nation. Just last year, Maggi was celebrating its standing in the hearts and minds of Indian consumers.

The beloved brand that brings up all types of childhood, hostel and travel memories, broke into the Top 5 Most Trusted Brands for the first time in 2014, albeit placed at the lower end. In the 2015 edition of Brand Equity's Most Trusted Brands survey, however, Maggi has plummeted to 95. This poll finding proves that if one's looking for an Indian brand's relationship status, forget Facebook, look no further than BE's Most Trusted Brands.

Of course, turns out meri Maggi is safe. And now its Swiss mother, Nestle is going out of its way to win back consumers' trust, especially that of Indian mothers, who put their faith in Maggi every time they served up a bowl at snack time. Only time, or the next edition of Most Trusted Brands, will tell if Maggi is scripting a dramatic comeback to the top or a painfully slow crawl up the trust ladder. (Read Maa & Maggi - Status: It's Complicated for some indication.)

But it's not all about calamitous falls. If it's good news you are looking for, Colgate has retained its position as India's Most Trusted Brand for four years running. Tata Salt has risen to No.2 from 16 last year, and the reasons for its climb are chronicled in the issue. (Read Salt Of The Earth.) If Depending on your point of view, it's either surprising (or hardly so) that the much talked and written about ecommerce brands are conspicuously absent in the Top 100 Most Trusted Brands list. A finding that reinforces what we had long suspected; consumer loyalty and trust, takes more than big sales and bigger ad budgets. Stay tuned for our next issue for more stories analyzing why India's Most Trusted Brands got to where they are and how they intend to stay the course. you are looking for bigger leaps consider personal care brand Dove and telco Idea. Dove's strategy to keep it real has worked and consumers' faith in the brand has propelled it from No.30 last year to No.4. Idea, on the other hand, has travelled a massive 131 spots to inch closer to its rivals Vodafone and Airtel, the latter sitting pretty at 11.

Q1. (a) Do you think that the methodology of doing the market survey is correct? Comment.

(b) In case of Maggi what's your prediction of rank for the next year and why?
