

PGDM (Insurance Business Management) 2018-20

Marketing Management

INS-104

Trimester – I, End-Term Examination, September, 2018

Time allowed: 2½ Hours

Max Marks: 50

Roll No:

Instruction: Writing anything except the Roll No will be treated as Unfair Means.
Please be relevant and brief in your answers. Section C is compulsory.

Section-A

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

- A-1. What are the three specific factors in Indian macro-environment which are attracting foreign retail companies to make an entry here? Explain.
- A-2. "value-to-customer" is the core of marketing – do you agree ? Explain with suitable examples drawn from few success stories in India.
- A-3. How does the concept of perceptual mapping help in positioning of a product / services ? Explain the relevance of USP in this context.
- A-4. What are the constituents of marketing communication mix ? What could be an ideal mix for a social message such as " Swatch Bharat Abhiyan" ?
- A-5. Why do conflicts arise among different channels? Differentiate between horizontal and vertical conflict with suitable example from insurance industry.

Section-B

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

- B-1. Marketing has evolved through five competing concepts over the long period of time. Describe the underlying assumptions and the suitability & use of these concepts in current time.
- B-2. What is product portfolio analysis ? How does BCG & Ansoff matrix help in formulation of marketing strategies ?
- B-3. What are the visible changes in our socio-economy profile of Indian consumer which are supporting the growth of "Digital Marketing" in recent past. Identify few business sectors where the impact has been more. What could be reasons for it ?

P.T.O.

Section-C*Case Studies**7.5 marks each*

The year 2014-15 was not a good year for the general insurance industry in India from profitability point of view .

One factor was found common among all the insurance companies while analyzing their profit & loss account and that was their over dependence on the Broking channel for the booking of their business. This was found to be an ever increasing cost element in the business cycle over the years. Experts opined that Brokers charged insurance companies around 10-35% as remuneration in commission Or other kinds which was much above the ceiling prescribed by Regulator.

Brokers made entry to the Indian insurance sector almost a decade back on the growth of the opening up of the sector . They initially started booking low premium corporate business as part of their new business model and subsequently upgraded themselves in value chain giving a wide range of services. It was a cost efficient business procurement option even for the insurance companies and they got benefits initially.

However, having got acceptability and faith of the target segment these Brokers started dominating the business scene and they became a substitute of the direct channel owned by the companies themselves. They started expecting the bigger slice of the earning pool. The insurance companies started feeling the competition as many a time their own direct corporate customers started preferring presence of a broker in business dealing as they found having some one providing a clear value proposition. The over dependence on these brokers also badly affected their own marketing set-up.

The poor financial result led the marketing officials of these leading insurance companies to re-think about their business model. They felt the need of focusing and strengthening their own direct & digital channels not only to save cost but also help them keep a tab on their loyal customers and better inventory management.

Based up on your understanding of the subject matter of distribution , Pl answer the following questions :

1. Do you feel it is right marketing decision for these insurance companies to go back to the old times of having own distribution channel?
2. Is there any possibility of channel conflict arising in such arrangement? If so what kind of precautions need to be taken?

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