

PGDM RM, 2019-21
Marketing Management 1
RM-102

Trimester – I, End-Term Examination: September 2019

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**. All other instructions on the reverse of Admit Card should be followed meticulously.

| Sections | No. of Questions to attempt | Marks | Total Marks |
|----------|--|-----------------------|-------------|
| A | Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered Or Maximum 6 questions with internal choices and CILO covered (as an example) | 3*10 Or 6*5 | 30 |
| B | Compulsory Case Study with minimum of 2 questions | 20 | 20 |
| | | | 50 |

Section A

Q1. (A) Explain Porter's 5 forces model in detail. Give an example from the industry for each of its 5 elements. (CILO1) (10 marks)

Or

Q1. (B) Compare the traditional 4P's of marketing with the 4 A's of marketing (acceptability, affordability, accessibility and awareness) which is more customer centric. (CILO1) (10 marks)

Q2. (A) Microsoft the software company is facing problem from the changing environment. Elaborate on these problems; identify what caused these problems; and discuss the solutions available to Microsoft. (CILO2) (10 marks)

Or

Q2. (B) Maruti Suzuki has manifold challenges up its sleeves in the current automobile scenario/environment. Discuss the problems and the possible options available with the company. (CILO2) (10 marks)

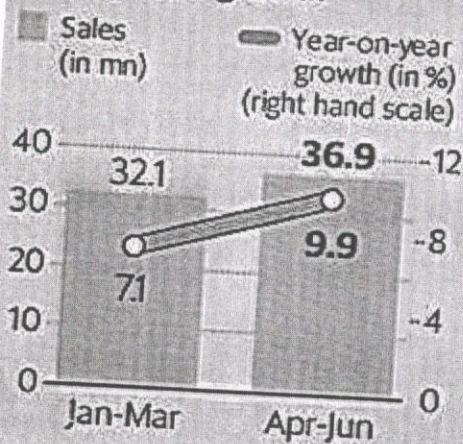
Q3. (A) *Phones vs FMCG: truth between bytes and biscuits* by Dharendra Tripathi, Mint, Dt: 29/8/2019

'₹5 biscuit packs are not selling' is at the centre of many a debate on the state of the economy these days. But sales of ₹15,000 smartphones are robust. Mint explains how the two outcomes may be exclusive of each other and the truth could somewhere be in the middle.

Mobiles score over daily consumption

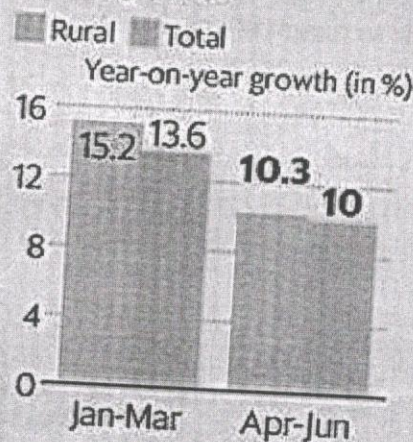
Much is being debated about how biscuit sales can be falling even as smartphones sales are rising. While the two are different categories altogether, the forecast for their second-half sales is as per their current trend.

Smartphone growth



IDC forecast: The India smartphone market will continue its growth trajectory in the second half 2019.

FMCG growth



Nielsen forecast: Outlook for FMCG growth in the second half is in the range of -8%.



The Indian middle class consumer is moving towards selective premiumisation.

(i) Why are mobile phones more popular than soaps? (ii) Simplify the contextual meaning of the words *bytes* and *biscuits* in the article heading. (CILO2) (2x5 marks)

Or

Q3. (B) Consider the example of a newly married IT professional couple interested in buying a new house. Use the principles of consumer buying to deconstruct their thought process. (CILO2) (10 marks)

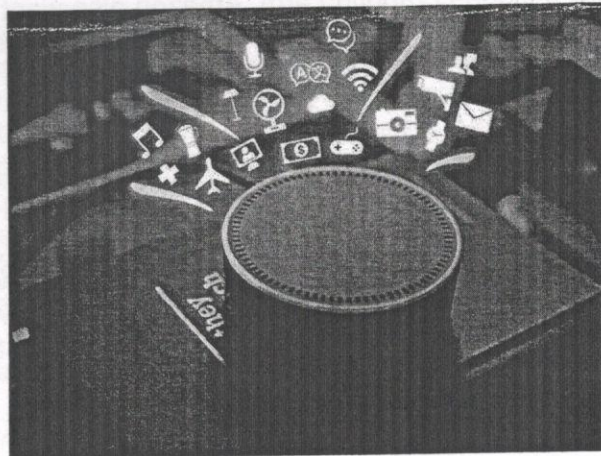
Amazon getting ambitious? With Echo Auto, Alexa may sit on the car dashboard

62% people who control music with their voice in a car do so with a smartphone.

Bloomberg | Aug 20, 2019, 06.07 PM IST

Read more at:

[//economictimes.indiatimes.com/articleshow/70754311.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst](https://economictimes.indiatimes.com/articleshow/70754311.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)



The company has said it wants to make Alexa, its hub for trivia, music and Amazon products, ubiquitous **By Matt Day**

Somewhere between Spotify crashing and Alexa failing to locate his favorite sushi place, Rafael Rivera decided he was dealing with an unfinished product. The software developer's rectangular Echo Auto, perched on the dashboard of his 2005 Mini Cooper, picked up his voice seamlessly over blaring music or air conditioning. But repeated restarts and clunky mapping made the on-the-go hub for Amazon.com Inc.'s Alexa less useful. "Am I part of a beta program?" he recalls thinking. "Is this thing done?"

Introduced almost a year ago and shipped to the first invited customers in January, the sometimes-buggy Echo Auto is the most visible element so far of Amazon's ambition to take Alexa on the road.

Behind the scenes, the company is trying to persuade automakers to bake the voice-activated digital assistant into their entertainment systems. Those efforts are gaining some traction—BMW and Audi earlier this year began selling select models that integrate Alexa's software by default. But Amazon is entering a market already contested by Google and Apple Inc., not to mention automakers leery of ceding control of the dashboard to Big Tech.

While colonizing the car probably won't generate much in the way of revenue at first, just being there would help Amazon position itself for a coming era of voice-based services. "Amazon wants to get into the car in a big way," says Mike Ramsey, a senior research director at Gartner who tracks the auto industry. "They sense that there is a big opportunity." Amazon declined to make anyone available to discuss the program, but a spokesman pointed to comments Ned Curic, vice president of Alexa Automotive, made last month to the Automotive News: "The real North Star for us is to be embedded with all the cars," Curic said. "We're working very hard to get there because we believe that is the best experience."

The company has said it wants to make Alexa, its hub for trivia, music and Amazon products, ubiquitous. The company built teams in recent years charged with making the software useful beyond the living room, seeking ties to home automation and security companies, building out voice and video calling functionality and even exploring wearable devices and home robots.

The first tie between Alexa and an automaker was, like many Amazon efforts, an experiment. In 2016, Hyundai Motor Co. rolled out the first application linking Alexa to a big carmaker in a tool that let owners of some models start their vehicle or set the climate control from an Alexa device.

Amazon formalized its push a year later, hiring Curic, an executive with Toyota Motor Corp.'s North American subsidiary, to run the automotive efforts. Curic's team plucked staff from Lab126, the San Francisco Bay Area hardware division behind the Echo speaker, and Amazon Web Services, the company's cloud-computing arm. Amazon also went shopping for recruits who knew their way around the industry, seeking veterans of German stalwarts like Daimler AG, BMW and Volkswagen, companies that have been among the most aggressive in exploring voice software.

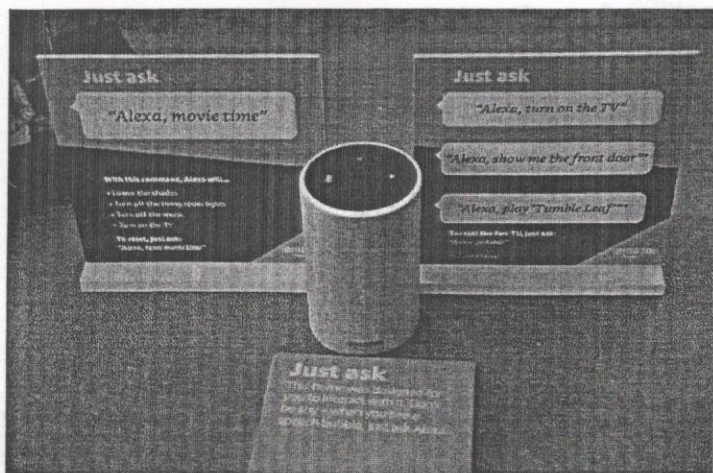
Hanging over the exercise to take Alexa on the road is Amazon's failure to build a smartphone to rival Alphabet Inc.'s Google and Apple. About 62% of people who use their voice to control music or other applications in their car today do so through a smartphone, a market dominated by Google and Apple, according to a survey by voice technology news site Voicebot and dashboard entertainment startup Drivetime. Another 32% opt for the software included in their car's entertainment system while 6% use different technology, including the Echo Auto.



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"Amazon's Achilles heel is not having a play on the phone," says John Foster, chief executive of Aiquido Inc. a startup working to tailor mobile applications for voice control. "They're going at it the best way they can. But I do think they suffer from this disadvantage that Google is really starting to make clear." Google, the company behind Android, the world's most popular operating system, has gotten automakers on board, building ties that could be used to hook drivers into Google's Assistant, Alexa's biggest rival in the U.S. Fiat Chrysler Automobiles, Renault-Nissan-Mitsubishi and Volvo are all building entertainment systems on Android. "Google has a much bigger footprint in the auto industry than Amazon does," says Ramsey, of Gartner. "They're getting big wins. Amazon is just starting to scratch the surface." Other carmakers are going their own route.

Some, like Daimler's Mercedes, have thrown their weight behind proprietary voice software. The Mercedes-Benz User Experience system, like many automaker-branded software, is powered by technology built by Nuance Communications Inc., a software company in Massachusetts. "Each of these manufacturers wants to preserve their own brand" in the car, says Richard Mack, a Nuance marketing executive. "When you press that button on the steering wheel, Mercedes would much rather see their emblem come up rather than a Google or an Amazon or a Microsoft logo."



Amazon has tried to assuage carmakers worried about Google or Apple's potential automotive ambitions by suggesting Alexa could be one among several voice assistants embedded in a future entertainment system. Amazon has tried to assuage carmakers worried about Google or Apple's potential automotive ambitions by suggesting Alexa could be one among several voice assistants embedded in a future entertainment system, according to two people who have heard the pitch, but aren't authorized to publicly discuss it. Amazon last year released tools that let carmakers build Alexa into their cars. The company has also tried to leverage Alexa's popularity in the home, saying to potential partners that customers would rather use voice software they're already familiar with than learn a new program while behind the wheel.

As Curic's team negotiated with carmakers, Lab126 engineers got to work on an end around, repurposing the Echo speaker's microphone arrays and software, originally designed for homes, for noisy car environments. The device avoided dealing with in-car communications systems entirely by piggybacking off of customers' smartphone to connect to Alexa servers.

When it was released, analysts said the Echo Auto seemed to fill a gap in the market, offering a device that promised to bring modern voice control to older car models. It drew more than 1 million orders, Amazon said, though the device is still shipping in batches and only to invited customers. Reviewers said the device lacked polish, coming off at times like a work-in-progress. A reviewer at tech news site the Verge said some of the auto-focused applications Amazon touts on its website "are laughably bad right now." It's harder to get a read on how customers feel because Amazon, which helped popularize online product reviews, has disabled customer reviews for the Echo Auto.

Ryan Adzima, who bought one to replace the outdated voice control system that came standard in his Jeep, is a fan. The owner of five Echo smart speakers figured the device's introductory price tag of \$25 was a bargain compared with replacing his entertainment system or buying a voice-activated navigation system. He liked the device, which heard his commands over road noise with the windows open and top down and easily handled tasks like calls and music. Connectivity, dependent on sometimes spotty wireless service around his Las Vegas home, left something to be desired, forcing him to reach for his phone to skip songs by hand when Alexa's servers couldn't be reached. Adzima isn't in the market for a new car. But if Alexa is integrated in enough models by the time he is, he'll consider it.

"If I was sitting on a lot, and one car had Alexa built in, the other didn't, and the cost difference wasn't that much?" he says. "That would definitely make my decision."

Q1. Amazon's Ekco auto is facing competition from Google Assistant and Apple. Which aspect of the customer requirement understanding has been missed out by Ekco auto or is it something else? (CILO3)
10 marks

Q2. What has Amazon's Ekco auto achieved by disabling online customer reviews? (CILO3)
10 marks