

Roll No: _____



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, May 2018

Program : Int. B.Com LLB (Taxation Law)
Subject (Course) : Marketing Management
Course Code : MKTG 2001
No. of page/s : 04

Semester : IV
Max. Marks: 100
Duration : 3 Hrs

SECTION – A

1. Attempt all questions. All questions carry equal marks.

2×5 = 10 Marks

(i) Consumers are high involve in the purchase but do not perceive the significant difference among brands is called _____ type of consumer buying behavior.

- a. Complex Buying Behaviour
- b. Variety Seeking Buying Behaviour
- c. Dissonance Reducing Buying Behaviour
- d. Habitual Buying Behaviour

(ii) _____ is the pricing where prices are adjusted continually to meet the characteristics and needs of the individual customer and situations

- a. Optional-product pricing
- b. Captive-product pricing
- c. Customer segment pricing
- d. Dynamic pricing

(iii) If a company's objective were to reach masses of buyers that were geographically dispersed at a low cost per exposure, the company would likely choose which of the following promotion forms?

- a. Advertising
- b. Personal selling
- c. Public relations
- d. Sales promotion

(iv) Which of the following is NOT one of the five stages of the buyer decision process?

- a. Need recognition
- b. Brand identification
- c. Information search
- d. Purchase decision

(v) The total number of product lines that the company carries refers to the _____ of the product mix.

- a. Width
- b. Depth

- c. Length
- d. Consistency

SECTION – B

Attempt any FOUR questions.

5×4 = 20 Marks

2. “All organizations need marketing.” Do you agree with this statement?
3. Differentiate between Advertising and Sales Promotion.
4. Define Packaging. Explain the functions of Packaging.
5. What do you mean by levels of distribution channel? Give examples.
6. Using any Indian TV advertisement, explain how knowledge of ‘**culture**’ can be used by marketer to develop marketing strategy?

SECTION – C

Attempt any THREE questions.

10×3 = 30 Marks

7. How do the 4Ps vary across various stages of the product life cycle (PLC)? Discuss with the help of a suitable example.
8. What are the major functions of Promotion? A multinational FMCG company appointed you as Marketing Manager for a new range of “Chewing Gum” about to be launched in Indian markets. Chewing gum will be available nationwide in orange, mint and strawberry flavour. Suggest your own brand name and design a suitable promotional strategy for the product.
9. Discuss in brief the various pricing methods used by marketers. Suggest suitable pricing strategy for the following products:
 - (a) New coffee shop
 - (b) Mineral water bottle
10. A well-established and renowned Fitness Centre of Dehradun wants to find out who visit the fitness centre, how they evaluate the feature/services provided, their satisfaction level and also

want them to suggest ways to improve service quality. Design a questionnaire for fitness centre accordingly.

SECTION – D

11. Read the case carefully and answer the questions given at the end:

Samsung Electronics

Korean electronics giant Samsung has made remarkable transformation since its founding in 1938. It originally started as an exporter of Korean dried fish, vegetables and fruits. The company evolved into a company that provided value priced commodity products in the 1970s and 1980s. These products were currently being sold by Original Equipment Manufacturers under their brand names.

The company was restructured in 1987 with a goal of becoming one of the world's biggest electronic companies. Samsung initially focused on volume and market domination rather than profits. During the Asian Economic Crisis in 1990s while other Korean conglomerates collapsed Samsung took a different approach. It cut costs and focused its vision on product quality, complete customer satisfaction and manufacturing flexibility. This revolutionary strategy allowed its consumer electronic products to go from the project phase to the store shelves within six months.

Samsung invested heavily on innovation and many of its products – from semiconductors to LCD screens –gained significant market share and became industry leaders in their respective categories. The company focused on its memory chip business, which established an important cash cow and made it the largest chip maker in the world. Samsung continued to invest in R&D during the 2000s, and made innovation one of its highest priorities and emphasized its importance through extensive training and recruitment. As a result, it produced a wide range of electronic products under its strong brand umbrella.

Samsung also partnered with long time market leader Sony to create a \$ 2 billion state of the art LCD factory in South Korea and signed a milestone agreement to share 24,000 basic patents for components and production processes. Today, Samsung is the Global Marketer of premium priced, Samsung brand consumer electronics such as smart phones, flat screen TVs, digital cameras, batteries, digital appliances and semiconductors.

The company's high end smartphones and cellphones are now growth engines leading to a steady stream of innovations including the first cellphone with an MP3 player, the first Blu Ray disc player and the first Smartwatch. Samsung's success has been driven not only by product innovation but also by aggressive brand building. The company has spent heavily on marketing activities including sponsoring the Olympics since 1998. And running several global campaigns themed "Imagine", "Quietly Brilliant" & "Men Are Idiots" .all of which included brand messages such as "Technology", "Design" .& "Human Sensation". In 2005 Samsung surpassed Sony in inter brand Ranking and continues to outperform Sony even today.

Samsung faces competition from several different industries including Google and Apple. The company however is unique because, unlike rival firms ,it has become a global leader in making both the components and the electronic products and the actual devices sold to consumers. It controls virtually everything in the smart phone supply chain , from the chips to the screen, while apple has to outsource these products .As a result Samsung can keep costs low , create as many products for many needs, make designs changes quickly and introduce new products at an unusually fast pace. It recently passed apple as the number one player in the smart phones.

Questions:

4×10 = 40 Marks

- (a) What strategies did Samsung utilize to overcome the economic crisis in Asia? How did it help the company?
- (b) What are some of Samsung's greatest competitive strengths?
- (c) Is cost a factor in Samsung's rise? If so explain.
- (d) Is the ability of Samsung to churn out products quickly a strength or a weakness? If it is a strength, explain why.

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SECTION – A

1. Attempt all questions. All questions carry equal marks. 2×5 = 10 Marks

(i) Positioning refers to how _____ think about proposed and/or present brands in a market.

- a. Firms
- b. Marketing professionals
- c. Customers
- d. All of the above

(ii) The total number of items that the company carries within its product lines refers to the _____ of the product mix.

- a. Width
- b. Depth
- c. Length
- d. Consistency

(iii) Rolls Royce uses which of the following distribution formats?

- a. Intensive distribution
- b. Exclusive distribution
- c. Selective distribution
- d. Open distribution

(iv) Consumer goods with unique characteristics or brand identification often requiring a special purchase effort are called:

- a. Custom products
- b. Specialty products
- c. Convenience products
- d. Shopping products

(v) The holds that consumers will favor products that are available and highly affordable (therefore, work on improving production and distribution efficiency).

- a. Product concept
- b. Selling concept
- c. Production concept
- d. Marketing concept

SECTION – D

11. Read the case carefully and answer the questions given at the end:

Starbucks

Starbucks offers more than a cup of coffee; it offers an experience that includes the beverage, the store, the service, and an opportunity to take a break from life's hectic pace to relax with friends or mull over a thorny problem. The typical Starbucks store works around a planned mix of organic and manufactured components: light wood tones at the counters and signage areas; brown bags; polished dark marble countertops; glass shelves; thin, modern, white track lighting; and pure white cups.

Even the logo delivers the double organic/modern message: The Starbucks icon is earthy-looking yet rendered in a modern abstract form, in black and white with a band of color around the center only. Special package and cup designs are coordinated to create livelier, more colorful tones around holidays. Starbucks also keeps its look lively with rotating in-store variations based on timely themes.

Starbucks stores are spacious so that customers can read in overstuffed chairs, gather around tables, or wander around the store while drinking their coffee. Stores sell pastries, breakfast sandwiches, and lunch offerings as well as coffee paraphernalia ranging from coffee beans and mugs to French presses and home cappuccino machines. Although coffee beverages are standardized across outlets, food offerings vary from store to store.

Starbucks also has strict quality standards. For example, espresso is brewed precisely 18 to 23 seconds and thrown away if not served within 10 seconds of brewing. Coffee beans are donated to charities if they are still in the store seven days after coming out of their vacuum-sealed packs. To ensure strategies appeal to its target market, Starbucks engages consumers through social media and the company's My Starbucks Idea Web sites. New iPhone applications launched by the company help customers locate stores, search for nutrition information, and reload Starbucks Cards.

Changing Customer Base

As Starbucks grew, its customer base evolved. Starbucks' historical customer profile—affluent, well-educated, white-collar women between the ages of 24 and 44 years—expanded. For example, about half of the stores in southern California welcome large numbers of Hispanic customers. Newer customers tended to be younger, less well educated, and in a lower income bracket than

Starbucks' more established customers. These newer customers were more interested in convenience than the experience, so Starbucks installed automatic espresso machines in its stores.

But as mass-market vendors like McDonald's and Dunkin' Donuts improved their coffee offerings and touted their lower prices and premium brands like Peet's threatened Starbucks' dominance, the company realized that its drive toward convenience was commoditizing the Starbucks experience. Returning to the company core values and guiding principles, including quality beverages and customer service, has been fundamental to reversing the company's slide.

The Transformation Journey

Schultz's campaign to restore Starbucks to preeminence involved a rigorous and disciplined review of all aspects of the business, with special attention paid to operational efficiency from the beginning of the supply chain to the barista at the counter. One result was trimming \$580 million in costs from the business. But another was investing in the company's core values, including a significant sum spent to bring Starbucks employees to a city hit by hurricane Katrina.

The staff spent their time there as volunteers, fixing up houses and cleaning roads. The project, says Schultz, reminded staff of the company's commitment to being an important part of the community and helped reinstall company values. The company also invested in technology and tools that increase the speed and lower the cost of bringing new products and strategies to market and better staff training to improve the customer experience.

Starbucks' resurrection acts as an illustration of how a corporation can be turned around by aligning employees behind a provocative vision that is backed by careful strategy.

Questions:

- (a) What strategy does Starbucks use to make its outlets a success? **(15)**
- (b) Who are Starbucks customer and why do they patronize the coffee outlets. **(15)**
- (c) Which strategy of Starbucks misfired and why? **(10)**