[This question paper contains 10 printed pages.]

Your Roll No..............

**Sr. No. of Question Paper :** 2743

Unique Paper Code : 12481403

Name of the Paper : Marketing Management

Name of the Course : **B.A. (Hons.) Business Economics, 2019 (CBCS)**

Semester : IV

Duration : 3 Hours

Maximum Marks : 75

**Instructions for Candidates**

1. Write your Roll No. on the top immediately on receipt of this question paper.

2. Read the instructions of each section carefully.

## Section A

*(Attempt any* **FOUR** *questions.)*

1. Discuss the factors affecting pricing of a product. What is psychological pricing? (6+4=10)

P.T.O.

2. (a) Outline the relevant marketing decisions that are faced by retailers in managing/setting up their retail outlets.

   (b) Elaborate on advertising media reach and frequency. (5+5=10)

3. Discuss the stages in a product's life cycle with appropriate examples. What marketing strategies are associated with each stage? 5+5=10)

4. Discuss the major segmentation bases for segmenting consumer markets. Suggest suitable bases for either bone china dinner sets or baby prams. (4+6=10)

5. Write short notes on any two of the following clearly bringing out the important points :

   (a) Political Marketing

   (b) Marketing Myopia

   (c) Porter's Model of Competition (5+5=10)

## Section B

(*Attempt any* **TWO** *questions.*)

6. 'Hers', a leading brand of women's clothing, discovers that its quarterly sales have substantially reduced since demonetization, other competitors have indulged in different promotions programs. In the light of the above situation suggest a promotions mix strategy for Hers. (10)

7. Greenwell ltd. is planning to launch its range of solar-panel based room heaters in the Indian market. These heaters work well even on cloudy days. Though they cost double the amount of conventional heaters but they save on electricity bills. Advise the marketing manager of Greenwell on designing an appropriate retailing strategy. (10)

8. 'Gajo' is launching services of data card, SMS, local/ international calling etc. and is in direct competition with Airtel and Jio. Suggest the pricing strategy it should embark on, duly justifying with appropriate reasoning. (10)

## Section C

*(Question below is COMPULSORY.)*

9. Read the case study below and attempt the questior following it :

**Kellogg's India: A Failed Launch Experience**

**Background**

Kellogg Company is a past master at the art, they have fought and won against the local delicacies like croissants-and-coffee in France, noodles in Korea and cookies in Italy. Company offered grain based foods in the morning to its consumers by highlighting the importance of a healthy, nutritious, convenient and easy-to-prepare alternative in the breakfast eating habit. The time line of various developments are:

1906: Kellogg's Company was established in Michigan.

1990: Stagnating sales in USA

1994: Kellogg's products had been made available nationally (India).

1995: Kellogg's witnessed 25-30% drop in countrywide sales within few months of launch.

1996: Indian management got idea about cultural mismatch between Indian Habits and the way product was being used.

1996: Kellogg's Chocos was launched in India

1996: Kellogg's had acquired a 50% market share in Mumbai.

1997: Kellogg's Frosties was launched in India.

1997: Company planned to expand to 60 more cities in India.

1997: Campaign to spread awareness about problems of skipping breakfast was launched.

1998: Increased pricing of its products by an average of 25%.

1998: Mazza series (crunchy corn based almond cereal with mango and elaichi flavours) was launched at a competitive price.

P.T.O.

1999: Weight based packaging strategy adopted.

2000: Company's turnover touched $ 7 billi
Kellogg's share had increased to 65%.

**Introduction**

Kellogg's was the wholly-owned Indian subsidiary the Kellogg's Company ((world's leading cere producer) from Michigan. The other products the portfolio included cookies, crackers, cereal ba frozen waffles, piecrusts, and ice cream cones. Wi manufacturing facilities in over 20 countries a products available in more than 180 countries, it w company's 30th manufacturing facility established wi an investment of over 20 million USD. The Indi market held great significance for the Kellog Company because it's the sales in US had becon stagnating and there were insignificant revenues f the firm. Initially the company offered cornflake wheat flakes and rice flakes in India, considered the staple food in India . The company's USP was i high quality products as it had complete technica managerial and financial support extended by its parent company.

Despite its high profile launched and celebrity endorsements, Kellogg's products failed miserably in the Indian market. The poor taste and limited availability of the product at selected outlets brought a lot of negative buzz for the company. The company products were majorly bought by the first timers who wanted to experiment with a new snack, converting the first timers into hard core loyal came as a big challenge for them. By 1995, the sales in Indian territory declined steeply and the company was falling victim of bad positioning and promotion strategy. The Kellogg's products were considered as a cultural mismatch since the Indian were used to having hot/ luke warm milk with added sugar, in breakfast whereas the flakes demanded cold milk to be poured, this lead to end product becoming soggy and tasteless.

Moreover, Indians have a practice of skipping breakfast and those who do have, like to have bread-butter or jam/tea-biscuits or few others will have parathas with curd or pickles (another Indian savoury). The company gained understanding about its Indian Consumers taste and preferences however, expected the consumer habits to change in the long run and di nothing to change the communication message o promotion appeal. The company always had 'fun-to eat' positioning appeal elsewhere but for India the positioned and made the health aspects the USP o the product. Due to which the company chose premiu pricing strategy for its product in India. Its majo competitors included Mohun Meakins Cornflakes, fo which the strategy was penetration pricing. Henc Kellog's became a product for masses and not classe with an ill positioning appeal, even to them. The miscalculated the prices sensitive and value seekin attitude of the Indian consumers. According t analysts, it was poor tasting cereal products of th company that have to be blamed for Kellog's loss i India.

The company had extensive distribution strateg focusing primarily on premium and middle-level retai stores. This further worsened the average Indian consumers reach to the product. However, the success of its newly launched global star products Chocos and Frosties, surprised the management by witnessing remarkable sales in the few months of its launch. The success of the products could be attributed to the Indianised flavours of the products, that Indian were consuming as a snack. They subsequently launched the Kellogg's biscuit series to capitalize on the snacking choice of Indian Consumers.

The company also took several nutrition promotion initiatives such as symposiums, educative programs and sponsorship of research. It remain committed to nutrition education. The company specifically targeted schools and younger generation and did house-to-house sampling exercise offering one-serving sachets to housewives in the city. To further lure kids, free bees such as pencil-boxes, water bottles, and lunch boxes were given away with every pack.

P.T.O.

**Question :**

Perform a SWOT analysis for Kellogg's as discusse in the case above and suggest suitable improvement in its marketing mix. You may take appropriat assumptions. (3+12=1