

## MBA II Semester Regular Examinations August 2015

**MARKETING MANAGEMENT**

(For students readmitted into R14 from R09)

Time: 3 hours

Max. Marks: 60

All questions carry equal marks

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**SECTION - A**

Answer the following: (05 X 10 = 50 Marks)

- 1 What is meant by marketing management? What are various steps in marketing process?  
**OR**
- 2 Explain about elements in marketing environment.
- 3 What is meant by market segmentation? What are the various factors to be considered in segmentation process? Explain importance of segmentation.  
**OR**
- 4 Taking any product in the market, explain product life cycle covering all the stages.
- 5 What is meant by packing? How packing helps in understanding particular product? Explain by taking any consumer product as an example in Indian context.  
**OR**
- 6 What is meant by marketing channel? Explain various types of marketing channels with an example.
- 7 What is meant by sales promotion? What are the different types of promotional techniques used in consumer markets? Explain with an example.  
**OR**
- 8 What is meant by pricing? Explain types of pricing by taking examples.
- 9 What is meant by social responsible marketing? What are the various factors which influence marketing activities?  
**OR**
- 10 Bring out the trends in retailing in Indian context? Explain about major challenges faced by Indian marketers in retailing, in present scenario?

**SECTION – B**

(Compulsory Question)

01 X 10 = 10 Marks

**11 Case study:**

The history of India contains a wealth of change and alteration, and the modern era is no different as the country blossoms into a major player in the global economy. Sizable economic growth during the past decade, particularly in the retail sector, has changed the way consumers behave. Although the size of the current Indian retail sector is impressive, its potential really speaks to what retailing than one brand is required to engage in a joint venture with an Indian company. Wal-Mart, Tesco and Carrefour have opened hypermarkets in India, but doing so was not an easy process. Carrefour waited 10 years to open its first store as a result of the restrictions. Hypermarkets, large retail outlets, combine the products found in a department store and supermarket, with the goal of turning shopping into an experience. The large store layouts and variety of merchandise force customers to spend more time in the stores, which in turn leads to more sales. The potential for hypermarkets in India sheds light on the country's changing retail landscape and the shopping habits of its consumers.

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Before 2000, Indian consumers generally purchased many of their retail goods from local mom-and-pop stores called kiranas, which sold mainly provisions and groceries. Shopping at kiranas is easy and convenient, because the small stores serve specific neighborhoods and establish personal relationships with their customers. The new infusion of hypermarkets threatens to rob local store owners of their customer base approximately a 23 percent decrease in sales in one year.

There are over 300 hypermarkets and 6,800 supermarkets in India. India has been experiencing 20 percent annual growth in retail markets. Hypermarket sales are expected to increase fivefold from 2009 to 2013 and supermarket sales are expected to increase 150 percent during the same period. Each new store opening may draw customers from 20 to 25 kiranas and fruit and vegetable stands, affecting over 100,000 vendors. Most kiranas cannot compete with hypermarkets, because these larger retail outlets create more efficiency within the supply chain. Much local produce in India currently gets wasted, because the country lacks sufficient infrastructure. Even as it progresses through rapid development, India still lacks some amenities that Westerners take for granted, like refrigeration in retail operations. If a large retailer wants to open a hypermarket in India, it will have to invest capital to ensure freshness throughout the supply chain and help reduce waste. The Indian government is expected to spend \$500 billion (U.S) over the next few years to develop a world-class infrastructure, which should spur growth in the retail sector.

The lack of infrastructure underlies a related issue facing in hypermarkets. Unlike in Western nations, India's rather poor roads and transportation systems do not allow retailers to locate on large plots of land on the outskirts of town, since fewer consumers can reach them. Therefore, hypermarkets must look for retail space in more urban areas, which provide little available real estate. Buying up space from existing stores means displacing local corner shops already inhabiting that space and this may prompt protests from Indian consumers and store owners who value the Indian tradition that the kiranas represent. Yet larger retail outlets in India could have a dramatic impact on the economy, possibly creating millions of jobs in the next 10 years. Although many Indians may not appreciate the notion of hypermarkets immediately, their presence is likely inevitable. Much of the impetus for the emergence of hypermarkets in India also comes from changes among Indian consumers. The country's younger generations are exposed to a host of innovative products that were unknown to their parents. They are far more receptive to new products and ideas. In addition, this segment of the population reflects the shifting age demographics; more than half of India's current population is younger than 25 years of age. With such a large percentage of younger consumers, it seems inevitable that India's cultural tastes will evolve. The strength and abundance of local kiranas has been a cultural mainstay, but they cannot efficiently offer Indians access to new and technologically advanced products. Because hypermarkets combine department stores and supermarkets, they carry product lines that local vendors cannot. They sell brand-name products at affordable prices, thereby enabling Indians to purchase a wide assortment of goods that they otherwise could not have.

This shift, from local mom-and-pop stores to more organized retail outlets, is happening very quickly in India. It is embraced by many consumers despite the cultural and legal considerations associated with hypermarkets. Furthermore, because hypermarkets offer potential benefits for both the economy and the national infrastructure, local governments generally support the arrival of a hypermarket. The ultimate target market, however, is not the government but the consumers and just as in any country at any time, the challenge lies in understanding what those consumers want and how to get it to them.

Questions:

- (a) How might a hypermarket located in India appeal to consumers and orient them to shopping in larger stores.
- (b) Is the Indian governments' willingness to spend \$500 billion to improve the nation's infrastructure, good news for international retailers? Why or why not?
- (c) Identify the main changes that mark Indian consumers. How can international retailers learn more about India's youthful demographic?

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