

Code: BA2T3

PVP 12

I MBA - II Semester - Regular Examinations JULY 2014

MARKETING MANAGEMENT

Duration: 3 hours

Max. Marks: 70 M

SECTION-A

1. Answer any FIVE of the following: 5 x 2 = 10 M

- a. Markets Vs Marketing.
- b. Techniques of forecasting
- c. Competitors analysis
- d. Demographic market segmentation
- e. Product line
- f. Retailer as a Brand
- g. Channel selection
- h. Store management

SECTION – B

Answer the following: 5 x 10 = 50 M

2. a) “Market research is a prerequisite for growth, development and sustenance of marketing department” elucidate.

OR

b) Give a brief outline of Indian Marketing environment in respect of FMCG products.

3. a) Discuss the different types of market segmentation. Explain the significance of market segmentation.

OR

b) Distinguish the positioning strategies of Consumer via-a-vis Industrial products.

4. a) Define Branding. Discuss the interface of branding and positioning.

OR

b) Discuss the factors influencing pricing of products.

5. a) What do you mean by channels of communication? Explain the role and functions of Channels in sales promotion.

OR

b) Discuss the factors involved in Channel Management Decisions.

6. a) Discuss the essentials of stores management in retailing.

OR

b) “Today, Consumer is not mere a king but an emperor”, elucidate.

SECTION – C

7. Case Study

1 x 10 = 10 M

The runaway success of the brand, Amul, is one of the best case studies about the product, pricing, positioning and delivery. Amul butter has lived up to its name for sure. Such has been the growth and popularity of the brand, Amul, that it has become synonymous with butter. The brand, which has given MNCs a run for their money, has a long history to it. It is also interesting to note that a co-operative movement has become one of the best examples of brand building. Amul, as a brand, presents a case of effective and smart communication. It also exemplifies the power of good and deep-rooted distribution as well as value for money.

Amul butter is processed at eight plants. With 48 sales offices, 3000 distributors and 2.5 lakh outlets, it has a robust marketing network. It also exports to over 30 countries, including the US. Amul butter accounts for over 90 percent of the Rs.500 crore domestic market (2005). Clearly, it has the infrastructure that is needed for an organization of its size and kind.

The cooperative movement not only assured good returns to farmers but also provided consumers with quality products under the brand names of Amul and Sagar. To make it distinctive from the butter available in the

market those days, and also to convey the message that Amul butter was produced using buffalo milk, additional colour was added to it.

Amul was the market leader all over India, barring Bombay. Hence, in 1966, the Amul account was given to Advertising and Sales Promotion Company with the simple brief: “*Dislodge ‘Polson’ from its ‘premier brand’ position in Bombay*”. Polson butter was started by Pestonjee Edulji in 1926. The ‘utterly butterly delicious’ campaign was started after research in early 1966 had found that 50 percent of Bombayites had not tasted Amul butter. This hinted at a lack of awareness.

The media, because of lack of colour printing facility, offered little help as a vehicle for advertising. They searched for a vehicle that could allow them a large impact. It was noticed that just one hoarding at Bombay’s Kemps Korner used to give Air India a lot of publicity mileage. So they decided: ‘Why not try something like the Air India campaign?’. They had a media plan that included about 17 hoarding. Bus panels were also used effectively. Justification for hoarding and bus panels as media vehicles was that such a judicious mix would give the brand advertising ‘frequency of the clock’ as different from the *‘frequency of the calendar in the case of the press’*. The hoardings and bus panels also offered them the choice of colour. The campaign was a roaring success. It gave Amul a strong foothold in the market. It was also the first ad that used outdoor so intensively, with hoardings, bus panels and posters.

The path-breaking *‘utterly butterly delicious’* campaign (created by Advertising and Sales Promotion Company) established the fact that Amul is not as expensive as consumers think. And since then Amul was on the road to success. Polson dairy lost its supremacy in Bombay. Many other butter brands entered the market, but none was able to get any significant market share. Amul’s brute dominance created a big entry barrier for others. Such was the dominance that even companies like the Swiss dairy major Nestle had to make a hasty retreat from the domestic market.

Even today, Amul hoardings continue to dot the skies, with smart spoof ads on topical issues. The success of Bunty aur Bubbly was captured in *‘Bun, tea aur butterly’*. Amul’s spoof ads are much like R.K.Laxman’s *‘common*

man' cartoons. The Amul hoarding campaigns are also in the Guinness Records for being the longest running advertising campaigns for over four decades. Amul ads have become a mirror of life, reflecting the myriads of festivals, cricket events and even politics.

It is not mere smart communication that has led to the runaway success of the brand. Distribution and value for money seem to be the major strengths on which the brand's popularity rests. About 12 lakh units of butter are sold daily. They need to ensure that the same quality product is available to a consumer at his nearest outlet and in the pack sizes required by him. Availability assumes a greater significance when one considers the availability of several alternatives to butter. They ensure that their distributors strive to improve the network, availability, market presence and hygiene. Amul's advantage is the loyal consumer base and the value for money proposition that it offers. That apart, it enjoys a tremendous distribution network edge over the competition, if any.

Another notable feature of the brand is its deep social connect. The brand has also done its bit in terms of serving good causes, whenever needed. During the Chinese aggression in 1962, Amul diverted all the milk and milk power collected to the army to meet their requirement.

The brand Amul butter signified various success stories, be its massive distribution network or catchy advertising and its value for money nature. The four-decade-long leadership is a shining example of how a good operating model can create brands like Amul that surely has made sense of its name – *utterly butterly priceless*.

Questions:

1. Discuss the factors that contributed to the success of the Amul brand.
2. How did Amul solve the media problems?