

IMT-135

MARKETING MANAGEMENT- I

Notes:

- a. Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
- b. Answers of Ist Set (Part-A), IInd Set (Part-B), IIIrd Set (Part – C) and Set-IVth (Case Study) must be sent together.
- c. Submit the assignments in IMT CDL H.O. along with the assignments Question Papers for evaluation .
- d. Only hand written assignments shall be accepted.

A. First Set of Assignments

5 Questions, each question carries 1.5 marks.

B. Second Set of Assignments

5 Questions, each question carries 1.5 marks.

C. Third Set of Assignments

5 Questions, each question carries 1.5 marks. Confine your answers to 150 to 200 Words.

D. Forth Set of Assignments

Two Case Studies : 7.5 Marks. Each case study carries 3.75 marks.

SECTION - A

1. Differentiate between marketing orientation and societal marketing orientation . How firms evolve , towards societal marketing orientation ? explain with an example .
2. An internationally acclaimed Bank wants to enter India . What are the key environment factors that they should consider in marketing planning ?
3. Explain structure of Marketing information system . How will you collect information on expected consumer behavior while launching a new water purifier brand ?
4. An organization is planning to launch ready to eat food products . What are the possible segments they can consider ? Suggest with the help of segmentation criteria .
5. What is product differentiation ? Elaborate how positioning may help an organization to differentiate its products.

SECTION - B

1. What is product life cycle ? Suggest marketing strategies for products at different PLC stages .
2. Discuss the process of New Product Development . Which stage in your opinion is most challenging to marketers and why ?
3. What is test Marketing .
4. Explain the process of observation research in marketing .
5. How political environment effect business . Explain in the light of current political environment in India .

SECTION - C

1. What are the key trend in Product design these days ? how can a firm use product strategically elaborate with examples .
2. Explain relevance of forecasting in marketing ? what are the methods of forecasting ?
3. What is BCG matrix ?
4. Why companies need to reposition their products . Explain with relevant examples.
5. What are the challenges to the existing practices to marketing in the light of technology and globalization ?

CASE STUDY - 1

Titan

Read the following case carefully and answer the questions given below :

The nation's time-keeper, Titan Industries, is hoping to add 40 more exclusive brand outlets (EBOs) by the end of this fiscal year, in the country, to add to its current number of 350. It also plans to open 75 smaller format EBOs in Tier-III and -IV towns in the coming year.

According to Rajan Amba, Global Marketing Head, Titan Industries, the company has allocated 20 per cent of its Advertising and Promotion Plan (A&P) budget to strengthen the company's 'World of Titan' chain. "This includes our investments in Below the line activities to generate footfalls, advertising for new stores and product launches, new fixtures, and visual merchandising," he says.

Last year, according to Amba, the watches division grew at nearly 22 per cent. The CAGR for the Titan brand has been in the region of 15 per cent over the last four years. The six-monthly turnover of the watches division stands at nearly Rs. 835 crore, a growth of 14 per cent over last year's half yearly results.

Meanwhile, the focus on multi-brand outlets is equally important for the company.

Apart from the four core brands, Sonata (low-end), Fastrack (youth), Titan (mid-segment), and Xyllys (premium), Titan has also launched several sub-brands such as Nebula, EDGE, Raga (women), Zoop (children), and Heritage.

This year, Titan has had three key new launches, prior to the festive season – Raga Cities, Edge 2012 and Tagged. While the Raga Cities collection is inspired by "two of the world's most romantic cities" – Paris and Venice, and are priced between Rs. 2,400 and Rs. 12,000, the collection comprises of 31 new contemporary designs studded with Swarovski crystals, mother of pearl dials and unique metal straps. Edge 2012, is claimed to be the lightest watch ever and is priced between Rs. 12,000 and Rs. 15,000.

Tagged, meanwhile is targeted at the working youth segment and is priced between Rs. 1,400 and Rs. 4,000. "Every year, Titan launches many new collections targeted at different segments across our wide consumer audience. This, over the past five to six years, has been our key growth driver for both business and brand image," says Amba.

He envisions watches above Rs. 5,000,etailing, and the proliferation of the EBO channel as the growth drivers for brand Titan next year.

The company recently announced that it will soon launch an integrated e-commerce platform for its different product offerings. The company currently earns Rs. 15-20 crore from online purchases on its diverse product sites.

With close to 15 sub-brands under the umbrella and having a closely overlapping target audience and price variations, there exists a possibility of mixed brand messages. Can this lead to a dilution of the brand identity itself? Ramanujam Sridhar, Founder CEO, Brand-Comm is of the opinion that any brand which has been there for a long period of time runs the risk of being seen and tagged as a slightly 'older' brand and that is one of the biggest challenges that the brand is facing.

He feels that unlike the times when HMT was a sitting duck and Titan could make the most of it, the market composition has changed. Brands like Citizen which had messed up their India entry, have now sorted out their act and almost every brand that is out there – Omega, Rolex, Fossil, Tag Heuer – is available in the market. "Titan is a great brand. But, a period of 25 years is fairly long, particularly in a category like fashion and lifestyle, since the company has positioned the watch as a fashion accessory. This is a challenging category," says Sridhar.

According to Sridhar, there are two key challenges before Titan – what with the company expanding the market, increasing its share, and being the only profitable watchmaker around. His hypothesis is that the brand has lost its

aspirational quality for younger, sophisticated audiences in the 25-34 years age group. "The brand still has a great following in smaller towns and in the older segments, and in gifting in certain segments. But the brand's profile is getting slightly dated."

Sridhar got his first Titan watch in 1987 when he "was young and upwardly mobile". Today, he aspires to own an Omega, a Rolex, or a Tag Heuer. "Titan no longer remains an aspirational brand for people of my socio-economic group," he adds.

The other challenge is the Titan corporate brand is suffering and is being seen as a mere product brand even as brands like Tanishq, Titan Eye+, Fastrack, Sonata are part of the same corporate brand. Whilst Titan is a great brand to consumers, employees, and investors, it is being seen merely as a watch brand.

Meanwhile, Kaustav Das, EVP-South, Publicis Ambience, feels that Titan seems to have ignored the Sonata learning, that loyal consumers are almost puritanical in their expectations from the brand. "To the consumer, 'Sonata from Titan' is the same as 'Titan Sonata', hence, a dilution of the premium value Titan commands," he says.

He is of the opinion that with launches across the board in pricing and design philosophies, the brand has lost its equity. "I wouldn't be surprised if an equity study reveals that Titan is now synonymous with 'Indian watch Brand of International quality' and nothing beyond. That's purely functional and hence detrimental to Titan the brand," he adds. Interestingly, this is exactly what Titan challenged a quarter century back to become the most coveted watch Brand in India.

Answer the following questions

1. What are the market segments Titan is operating in? Do you think they can compete in all these segments? 4
2. What are the marketing mix changes you would suggest the company to compete? 5
3. How can Titan revitalize its brand? Suggest changes for differentiation. 5

CASE STUDY - 2

Fiats: not a great fiat in India

One would assume that a global brand that had some sort of a pre-liberalisation traction, would be best poised to capture a huge share of a more open, hungry economy. Except in the case of Fiat, one would be assuming wrong. It entered India via a licensing agreement with Premier automobiles in the 1950s and the Fiat 1100D more popularly known as Premier Padmini is only just being retired in Mumbai where it's been the definitive taxi for generations.

However, it's been an uphill drive for Fiat ever since it set up an Indian subsidiary in 1997. If Korean newcomer Hyundai roped in popular Bollywood star Shahrukh Khan, Fiat banked on Indian cricket sensation Sachin Tendulkar through the early 2000s. It created a Tendulkar signature model of the Palio, and in a widely publicised move, paid off the octroi on the sportsman's Ferrari. Sales, however, remained lukewarm. In 2006, it signed an agreement with Tata Motors to jointly manufacture and sell cars. However, things went horribly wrong. From a high of 22,756 cars sold in 2009, it slipped to a low of 11,143 in 2012. Last year, it decided to call off the alliance.

Nagesh Basavanhalli, its new president and managing director believes lessons have been learned. After 18 years in the US, he's been in India for near two months now to chart Fiat Chrysler's solo innings. Speaking of what went wrong, he says, "There are pros and cons of being a part of any network." The old dealerships being ill-equipped to

handle a premium brand like Fiat was part of the problem, say company sources. As of now, it has a couple of models in the market — Punto and Linea. It plans to launch nine new vehicles over three years: four each from Fiat and Chrysler and one from the Abarth brand. With a range that includes Alfa Romeo and Grand Cherokee, Fiat's quite naturally proud of its heritage and that of Chrysler, acquired in 2011.

Question

1. What are the challenges to the company ?
2. Suggest company a revitalization plan .