

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
SIXTH TRIMESTER (Batch 2021-23)
END TERM EXAMINATION, APRIL 2023

Course Name	Strategic Marketing	Course Code	20136
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- Please answer all questions.
- Please write in point form where ever possible
- Read the Caselets carefully and answer the related question.

Caselet 1: Pricing Strategies for a New Luxury Fashion Brand

A new luxury fashion brand is entering the market, and the management team is deciding on the best pricing strategy to use for their products. The brand is targeting high-end consumers who are willing to pay a premium for quality and exclusivity. The management team has narrowed down their pricing strategy options to three: penetration pricing, skimming pricing, and premium pricing.

The management team is debating which strategy would be the most effective for the brand. They believe that a penetration pricing strategy would help the brand gain market share quickly, but it could also lead to the perception that the brand is not a luxury product. A skimming pricing strategy could position the brand as a luxury product, but it could also limit the brand's reach and alienate potential customers. A premium pricing strategy would help the brand establish itself as a luxury product, but it could also limit the brand's customer base to only the wealthiest consumers.

Question 1: Based on the caselet, identify and explain the three pricing strategies that the management team is considering for the new luxury fashion brand. Discuss the advantages and disadvantages of each strategy and recommend the strategy that the management team should choose. Justify your recommendation with reasons and provide examples of other luxury fashion brands that have successfully used the recommended strategy. (15 marks)

Caselet 2: BCG Matrix Analysis of Retail Company

A retail company operates in the highly competitive market, and the company is looking to evaluate its product portfolio using the BCG matrix. The company offers a range of products, including electronics, clothing, groceries, and furniture. The company's management has tasked a team of marketing strategists to analyze the product portfolio using the BCG matrix and make recommendations on how to improve the company's market position.

After conducting a thorough analysis, the marketing strategists find that the electronics and clothing segments are the company's stars, generating high revenue and growth. The grocery segment is the

company's cash cow, with high market share but slow growth. The furniture segment is the company's dog, with low market share and low growth.

The marketing strategists recommend that the company invests heavily in the electronics and clothing segments to maintain their growth and market position. They also recommend that the company continues to focus on the grocery segment to generate cash flow to support the growth of the electronics and clothing segments. However, they suggest that the company consider divesting or restructuring the furniture segment to minimize losses and free up resources to invest in more profitable segments.

Question 2: Based on the BCG matrix analysis of the retail company, what recommendations would you make to the company's management regarding its product portfolio? How can the company use the BCG matrix to improve its market position and maximize profitability? Provide a detailed analysis and recommendations for the company based on this scenario. (10 marks)

Caselet 3: Strategic Frameworks

A leading automobile manufacturer is considering expanding its product line to include electric vehicles. As a strategic marketing consultant, you have been asked to assess the feasibility of this expansion and provide recommendations for the company's future strategy.

The company has been in the traditional automobile market for many years and has a strong brand reputation. However, with the growing awareness of environmental issues and the increasing demand for sustainable transportation, the company's leadership team believes that expanding into the electric vehicle market could be a viable strategic move.

As a strategic marketing consultant, you are tasked with conducting a comprehensive analysis of the electric vehicle market and the company's potential for success in this space. You will need to use the Porter's Five Forces to determine the overall attractiveness of the market, VRIO framework to determine whether the company has a competitive advantage in the electric vehicle market or not and GE matrix to assess the potential, opportunities and challenges for the company's expansion into the electric vehicle market. Also, provide recommendations for the company's future strategy.

Question 3: Using the Porter's Five Forces, VRIO framework, and GE matrix, analyze the potential for the company's expansion into the electric vehicle market. Based on your analysis, what strategic recommendations would you make to the company and why? (15 Marks)