

## **Online PGDM**

# First Year, Trimester I, September 2024

Course Name : Advance Marketing Orientation

Max Marks : 70

Course Code: 2102

Max Time : 2 hrs

Instructions for Students : Kindly read the questions carefully.

*Read the case carefully and be precise and specific while answering the questions* 

Answers supported by examples are appreciated

In case study, suggest solutions based on information given in case only

# Section A : Objective Type Questions

Max. Marks-20

- 1. Your marketing department is currently researching the size, density, location, age, and occupations of your target market. Which environment is being researched?
  - A. demographic
  - B. psychographic
  - C. economic
  - D. geographic
  - E. cultural

2. Value marketing is the strategy of offering consumers \_\_\_\_\_.

- A. high quality at a high price
- B. luxury quality at a high price
- C. Lesser quality at a low price
- D. reasonable quality at a fair price
- E. little quality at a low price
- 3. The notion of value from an offering is looked upon by customers as:
  - A. Price of Product as compared to competitors.
  - B. Benefits of products as compared to competitors.
  - C. Uniqueness of the product.
  - D. Comparison of Benefits and price of the offering as compared to competitors.

- 4. A society's basic values, perceptions, preferences, and behaviors are all part of its \_\_\_\_\_\_ environment.
  - A. social
  - B. cultural
  - C. political
  - D. cultural-economic
  - E. natural

#### 5. Closure of Bajaj Scooters was largely caused by

- A. Micro environmental forces
- B. Macro environmental forces

6. In order to satisfy the needs of customer, marketer can fine tune

- A. Product
- B. Price
- C. Promotion
- D. All of the above

7. In marketing in long term it is always desired:

- A. To have a genuine concern for customer.
- B. To establish a long lasting connect with customers.
- C. To be perceived as trustworthy by customer.
- D. All of above

8. The focus of marketing should be:

#### A. To generate profit only.

- B. To achieve high sales only.
- C. To achieve profits and customer satisfaction.
- D. To be a leader at any cost.

#### 9. Market is defined as

- A. a place where people buy
- B. place where sellers meet
- C. set of actual buyers
- D. set of actual and potential buyers

10. The task of any business is to deliver \_\_\_\_\_\_ at a profit.

- A. customer needs
- B. customer value
- C. products and services
- D. improved quality

- 11. What does the "promotion" element in the marketing mix involve?
  - A) Product design
  - B) Advertising, sales promotion, and personal selling
  - C) Distribution channels
  - D) Setting the product price
  - E) Customer feedback

12. Which component of the marketing mix is related to creating, communicating, and delivering value to customers?

- A. Product
- B. Place
- C. Price
- D. Promotion
- E. People

13. What does the distribution channel in marketing refer to?

- a. Setting the product price
- b. The path a product takes from producer to consumer
- c. Advertising and promotion
- d. Customer segmentation
- e. Product features

14. Which of the following is a direct distribution channel?

- a. Retailers
- b. Wholesalers
- c. Agents
- d. Manufacturer to consumer
- e. Brokers

15. What is the purpose of intermediaries in the distribution channel?

- a. To increase product prices
- b. To reduce the number of distribution channels
- c. To facilitate the movement of products from producers to consumers
- d. To eliminate competition
- e. To decrease market share

16. Which distribution strategy involves using multiple intermediaries in the channel?

- a. Exclusive distribution
- b. Intensive distribution
- c. Selective distribution
- d. Direct distribution
- e. Indirect distribution

17. What is the definition of "skimming pricing"?

a. Setting a low initial price for a new product

- b. Setting a high initial price for a new product and gradually lowering it
- c. Setting prices based on competitor pricing
- d. Offering discounts to bulk purchasers
- e. Adjusting prices based on customer demand
- 18. Which pricing strategy involves setting a price to cover costs and provide a reasonable profit margin?
  - a. Skimming pricing
  - b. Penetration pricing
  - c. Cost-plus pricing
  - d. Psychological pricing
  - e. Dynamic pricing
- 19. What is the role of the "Place" element in the marketing mix?
  - A) Determining the product's features
  - B) Deciding the appropriate distribution channels
  - C) Setting the product price
  - D) Creating advertising campaigns
  - E) Analyzing competitor behavior

20. In a channel of distribution, what is the function of a wholesaler?

- A) Selling directly to end consumers
- B) Facilitating communication between producers and consumers
- C) Providing financing to consumers
- D) Purchasing large quantities of goods from manufacturers
- E) Conducting market research

#### Section B : Subjective Type Questions (Short Answer Questions)

Max. Marks-10

**Q1:** Distribution is critical for success of any Marketing Organization. Discuss recent changes witnessed in distribution strategies adopted by Indian firms? Substantiate your claims with examples? (05 Marks)

Q2: Enlist and explain certain factors, which you feel, will drive success for any marketing firm in India? (05 Marks)

## Section C : Subjective Type Questions (Long Answer Questions)

Max.Marks-40

## Read the following case carefully and answer the questions given at the end

Do not assume any data/fact/information on your own, limit to the information provided in case only.

# Packaged Snacks: A Pack full of opportunities

Packaged salty snacks and biscuits is an over ₹65,000-crore market and growing. More than 65% of all snack consumption is now branded versus less than 40% a few years ago indicating a shift from the unorganized to organized segment, deep distribution and localized flavors. While traditional Indian snacks (namkeens) make up about 50% of all branded salty snacks and have continued to grow in double digits, bridged (includes sticks like Kurkure and triangle like mad angles) and extruded snacks (like cheese balls, Crax etc.) are around 35% of all packaged snacks and will grow faster.

PepsiCo was the first global brand to begin selling packaged snacks in India in 1995, local brands including ITC's Bingo, Prataap Snacks' Yellow Diamond and Parle and older ones including Haldiram's and Balaji have since expanded their footprint nationally.



The major players ruling the packaged savoury snacks market in India are, PepsiCo – the market leader with its Cheetos, Kurkure, Lay's Lehar & Uncle Chips brands Haldiram, Balaji Wafers (Balaji), Parle (Hippo, Parle), ITC (Bingo), Bikaji, Bikanervala, Prataap Snacks (Yellow Diamond), and DMF (CRAX) amongst others. Apart from these, there are a large number of regional players doing wonders in their respective territories and exporting globally. Some majors and their brands include:

1.Haldiram's: One of India's most well-known snack brands, offering a wide range of traditional and contemporary snacks.

2. Parle Products: Known for brands like Parle-G biscuits, Parle's snack portfolio includes products like Monaco and Krack Jack.

3. ITC Limited: The company's Bingo! brand has gained popularity for its innovative and flavorful snack offerings.

4. PepsiCo: The multinational giant offers popular brands like Lay's, Kurkure, and Doritos in the Indian market.

5. Britannia Industries: Known for biscuits, Britannia also has a presence in the snack segment with<br/>brandsbrandslikeBritanniaTimepassandTreat

Salty snack or namkeen is a product essentially known for three important attributes:

a) Taste

b) Quality

c) Variety.

Further, namkeens can be characterized into three segments as:

Single product segment: Moong Dal, Chana Dal, Peanut, Nut Cracker, Karare Peanut, Heeng Jeera Peanut, Masala Matar, Mathri, Namkeen Pare, etc.

Single product in bhujia: Plain Sev, Bikaneri Bhujia, Aloo Bhujia, Punjabi Tadka, Ratlami Sev, Bhavnagri Gathiya, etc.

Lots of mix: Navratan Mix, Khatta Meetha, Chatpata Mix, Magic Mix, Royal Treat, Kanpuri Mix, Bombay Mix, Kaju Mix, Kashmiri Mix, All in One, etc.



The market is characterized by many variants, various offerings ranging from economic to premium, regional flavors, changing taste and preferences etc. Some major noticeable changes include:

Healthy Living: Healthy living is gaining precedence among consumers and the demand for health and wellness snacks, with enhanced health or nutritional benefits, is increasing significantly. Manufacturers are expanding their portfolio of products, which have increased health benefits, such as low sugar and salt content.

Nuts, trail mixes and seeds are loaded with protein, healthy fats and nutrients, including hard-to-get minerals such as magnesium and zinc. These help in reducing stress, cholesterol and blood pressure, further lowering the chances of heart-related ailments.



The market has witnessed considerable growth of premium brands, such as MAXX potato chips from Lay's and Cornitos and Mexitos tortilla chips. There are going to be considerable product launches in premium snacks in the near future, such as Poppables potato snacks from Pepsico Inc in India. Pepsi has been planning to capitalise on its premium product portfolio to drive volume growth and improve bottom-line performance. Pack Size plays an important role in this market.

E-commerce and Online Sales: The online retail channel is expected to play a significant role in the growth of the packaged snacks market, allowing consumers to easily access a wide range of snacks

Innovative Products: Companies are likely to invest in innovation and product development to stay competitive. New flavors, textures, and formats will continue to be introduced.

Sustainability: As environmental concerns grow, there may be a shift toward more sustainable packaging materials and practices.

Premium and Gourmet Snacks: With a rising middle class and increasing disposable incomes, there is a market for premium and gourmet snack options.

Some interesting diverse and demographic changes are leading to more action packed offerings from various companies. Some spicy facts include:

India has a relatively young population, with a significant percentage of people below the age of 30. Younger demographics tend to prefer fast food, convenience foods, and snacks, contributing to the growth of the packaged food industry. Lot of migrations from various regions of the country is witnessed towards urban business centres resulting in a diversified demography in those urban centres. The people have also retained their food habits irrespective of the place they are relocating

For instance, staple Gujarati snacks, such as khakra, phapra and dhokla, are available in packaged form, across all parts of the country, since the Gujarati population has migrated towards the northern, southern and eastern part of the country, due to professional reasons.



Consumers are also demanding snacks with increased health benefits as healthy living has also become a mega trend and should be taken into account while developing new products. It is projected that products with added health benefits, such as low salt and sugar, will be major growth drivers in the future. One such example is Fizzy Foodlabs, established in 2012, boasts of a range of products such as ready to cook meal kits and nachos with salsa dips in the tray format. The company has two convenience food brands – Chef's Basket and Colonel and Co., which have been very well received in the marketplace. Their product line encompasses this vision with nachos and salsa dip commanding a sub Rs.100 crore category.

New-age startups in the direct-to-consumer (D2C) segment have already taken the lead in occupying the white spaces in healthy snacking. Multiple D2C brands, such as YogaBar, True Elements and Gladful, have been launched. Although launches may have been led by online-first firms, more and more offline players are also recognizing the need to expand their portfolios and address more need spaces and occasions, he said. "This can be seen in the new launches by Mondelez, such as Fuse Fit or Bournvita Crunchy, both playing on healthy and mindful snacking.

Q1: Comment on the snacks market in India its size and its future potential? Also discuss the major product types popular in India? (Max Marks: 10)

Q2: Discuss the recent changes witnessed in this market; this may include changing taste and preference of customers, changes in distribution etc? (Max Marks- 15)

Q3: If you get an opportunity to launch a new product in this market, what would be the suited marketing mix for the chosen segment? Why you will choose a particular segment only? (Max Marks-15).