

January 2015

Beachelor of Business Administration (BBA) Examination

III Semester

Marketing Management

Time : 3 Hours]

[Max. Marks : 80

Note : Attempt any four questions from Section A. All questions carry equal marks 16. Section B is compulsory and carries 16 marks.

Section A

- Q. 1. Explain the concept of marketing and elaborate on micro and macro environment from marketing point of view.
- Q. 2. Explain the importance of market segmentation and highlight factors influencing consumer behaviour.
- Q. 3. Explain the meaning of new product also highlight the importance of product positioning.
- Q. 4. Explain pricing objectives and elaborate on initiating pricing changes and responding pricing charges, with suitable examples.
- Q. 5. Explain the role of promotion mix. Also elaborate on sales promotion.
- Q. 6. Explain the underslenjis of managing channel intermediaries. Also explain the importance of transportation and warehousing if in physical distribution.

Section B

- Q. 7. Analyse the case and solve it with relevant steps.

THE WONDER DRUG

Shri Hari Narayan Barua was the most reputed lawyer in Assam. He was extremely intelligent and very rich. Hari Narayan Babu, as he was popularly called, was persuaded to marry a pious and diligent woman at a young age. His wife bore him a son, named Archit, but could provide little intellectual companionship to her husband. The son inherited a razor sharp intellect from his father in addition to having an analytical mind and a questioning nature. Father and son developed a deep and satisfying relationship.

During his travels with his father, young Archit could not help but notice that many men grew their facial hair at a late age. Father and son would often discuss the merits of this phenomenon. They marvelled at the youthful appearances that these men continued to have till advanced ages. They also noticed that these men avoided the nuisance of having to shave. Archit soon became Dr. Archit K. Barua, skin specialist, and worked on his pet project — facial hair. At the age of

26 he developed a composite medical treatment that could divert the nutrition from facial hair to hair on the head. This treatment deferred the growth of facial hair, reduced the quantum of growth on the face and improved hair growth on the scalp. This could counter baldness though the medication could not totally cure baldness.

The medication consisted of a powder, which was to be applied on the face for keeping the face clear and smooth and a tablet, which was for diverting the nourishment to the hair roots on the head. Both these medicines were to be taken on alternate days for three months and thereafter once a week for six months.

Hari Narayan Babu was overjoyed with his son's invention. He offered himself as the first customer, mainly to improve his balding pate. The drugs were submitted to the government for testing and certification confirming their fitness for human consumption without any ill-effects. Hari Narayan Babu's connections at the right places ensured that the clearance came quickly. He had enough wealth to fund the setting up of a factory for producing these wonder drugs. On his 28th birthday, Archit got the factory and a duly registered company as a birthday gift. <http://www.davvonline.com>

Mr. Edward Dexson, a retired general manager, marketing of Hindustan Tele Systems Ltd. and a few youngsters were recruited for marketing the powder and the tablets. The marketing team decided that the distribution channels/sales network should be in place before production started in full swing. Names of the distributors/retailers would be needed during the advertisement campaign. However, the marketers could not identify what distribution channel should be adopted for these products. The idea was so novel that the marketing team was not clear about the target segment. Even prolonged discussions yielded no unanimous solution. Finally, Mr. Dexson ruled that the facial powder should be sold through barbers (since it was related to shaving) and the tablets should be marketed by medical stores/chemists. Distributors, normally covering a state, were to be appointed. They would deal with the retailers on the one hand and with the company headquarters (located at the factory) on the other hand. Both the Baruas were not happy with these decisions, but they knew little about marketing or distribution channels and so on. They, therefore, had little choice.

Discuss the correctness of Mr. Dexson's plans and if required, suggest a distribution channel, which in your view, would be suitable for this product. Give arguments to support your recommendations.