

December 2009

Master of Business Administration (MBA) Examination  
II Semester

**Marketing Management**

**Time : 3 Hours ]**

**[ Max. Marks : 90**

**Note :** *Attempt any three questions from Section A. Each question in this section carries 22 marks. Section B is compulsory and carries 24 marks.*

**Section A**

1. (a) "Scanning the marketing environment is unavoidable." Do you agree ? Why ?  
(b) Discuss all factors affecting or influencing price, with examples.
2. Take example and explain STP Process.
3. (a) Explain the role of Packaging in Marketing.  
(b) "Functions are more important than channel members." Do you agree ? Explain.
4. (a) Elaborate with examples the application of promotion mix elements.  
(b) Take examples and explain strategies of Nichers to defend and expand the market share.
5. Write, in details, on the following :  
(a) Event Marketing, with examples.  
(b) Marketing Research Process.

**Section B**

6. **Analyse the case and answer the questions given at the end :**  
**KEEBOR SHOES LIMITED**

The Indian sports shoe market is estimated at 25 million pairs per annum and is growing at an annual rate of 25 per cent. The Indian shoe market is heavily crowded with numerous brands. There is a sudden rush of foreign brands into this market. In less than a year three international brands viz. LOTTO, PUMA and ADIDAS have entered the Indian market. Bata has tied up with Adidas; Carona Limited with Puma shoes and Consolidated Footwear with Lotto.

According to a survey, 5 million pairs of smuggled sports shoes are sold in the country every year indicating the Indian consumer's interest

and Craze for foreign labels. Carona Limited has a capacity to manufacture 3 million pairs of sports shoes and Bata Limited a capacity of 4 million pairs per annum. The plants have not yet attained full capacity.

Power is the market leader and Action has carved out a niche for itself through its lifestyle promotion strategy. Puma- Carona and Lotto emphasise on their foreign connections and technological perfection. They also have plans to sponsor sports events, institute sports awards and scholarships, and have sportsmen endorse their brand.

### **Buyer Profile And Behaviour**

The profile of the sports shoe buyer is that of a male who is under 30 years of age, who is a student or earning member with a reasonably high family income of above Rs. 10,000 per month at least. The awareness of both Indian and foreign brands, among the buyers is quite high. Most of the sports shoe buyers intend to use them as a regular all-time wear or as occasional casual wear; while a very small proportion uses them for playing games only. Superior technology, better appearance and brand image are considered more important reasons than suitability for games for buying a particular brand of sports shoes.

### **Product, Price and Distribution**

Puma is available in maximum number of models; Lotto is available in fewer number and Adidas the least. The price ranges from Rs. 500 a pair for the low priced to Rs. 1200 per pair for the high priced. Buyers of sports shoes for the purpose of playing games only generally opt for the low priced shoes. The concept of high quality and high priced shoes has not gained acceptance in India.

Puma is available at a large number of company show rooms and private outlets, Adidas at a selected company owned outlets and a few private outlets, Lotto at a large number of Bata stores and other private outlets. In all, 79 per cent of all shoe outlets sell sports shoes. Shops selling Adidas /Puma/ Lotto derive 31 per cent of their turnover from the sports shoe business.

Keebor is the highest priced sports shoe in the world. It is the market leader in sports shoes. Keebor has decided to enter the Indian market on its own having no collaboration with any of the Indian shoe brands. Keebor would like to achieve a sales target of 5 lakh pairs of sports shoes per annum in India.

### **Questions for Discussion :**

1. What is the target market segmentation possible for Keebor shoes? Which segment should it choose ? Why ?
2. Elaborate upon the marketing mix Keebor shoes must design to position itself in the identified target market.