

MAP02

Roll No :
Total No of Questions 6
Duration (hrs) 3

Total No of Printed Pages- 6
Maximum Marks- 30

Section I

Note: Question 1 is compulsory Answer any 4 from the rest.

Solve Section I and Section II on SEPARATE ANSWER BOOK.

Q1) Read the case provided carefully and answer the questions that follow (10)

Case 14 - Nutrine - leading the rural market

Q2) which of the following products are susceptible to most post purchase dissonance by consumers? Why? How might marketers reduce post purchase dissonance for those products?

- a) Jaguar
- b) Tide detergent
- c) Cox & kings holiday package to Europe(5)

Q3) For each of the following product categories choose a specific product. Name (1) the brand, (2) the manufacturer, (3) the target segment, (4) the positioning strategy.

- a) Toothpaste
- b) Paint(5)

Q4) Explain how location may be used as a part of a successful retail strategy..... (5)

Q5) Compare the buying behavior patterns of urban and rural India..... (5)

Q6) Write short notes on any 2 of the following

- a) Category management
- b) Classification of events
- c) Traditional media vis a vis alternate media.....(5)

258

CASE

14

Nutrine—Leading the Rural Market

Nutrine Confectionery Company Limited is the flagship of the NUTRINE group of companies, spanning diverse products and services like confectionery, gums, fruit bars, granites and transportation, etc. The turnover of the group has crossed Rs.1710 crore in 1999. Shri B. Venkatramana Reddy, a graduate from National University, Adyar, established Nutrine Confectionery Company (NCC) in 1952. From a small-scale unit manufacturing only candies in the early 60's, Nutrine Confectionery has grown to be a multi-market giant and has been the single largest manufacturer of confectionery and toffees in India since 1980.

Product

Since 1985, Nutrine has diversified into other food products like gums, fruit pulp and dehydrated fruit bars of mango, banana, papaya, guava, pineapple, apple, grape, etc. being the leader in the industry for more than two decades, Nutrine has always endeavored to satisfy the wants and desires of customers with its special emphasis on quality, range and cost effectiveness. It has more than 70 varieties of candies, toffees, lozenges, etc. Nutrine is the only company in India producing dehydrated fruit bars, using an innovative technology. Nutrine has a well-equipped research and development laboratory, where continuous product testing and product development is organized. Exhibit 1. shows the product range of nutrine.

EXHIBIT 1

Product Range of Nutrine

Chocolates: Chocolate Eclairs, Wild Koffy, Superstar Assortment, Nutrine Gold, *Aasay*, *Dishum* Special, *Dishum* Pineapple, Caramella, *Kokanaka* Cookies, *Maha* Lacto, *Aam* Ras, Milk Cream, Bon Bon, Marvel Assortment, *Gulkand*, Ginger Caps, Sunshine Fruits, Orange Candy, Lollipop, Coolers, Fruit Roll.

Bubble gums: Boomer, Big Bubble, Big fun, Funda, Donald, Bunny Bubble Gum, Wrestler.

Chewing gum: Gum Yum, OLE, Juicy fruit, Center Fresh, Double mint, Spear mint, Brooklyn.

Fruit bars—Naturu: Mango, Banana, Guava, Papaya, Grape, Apple.

Manufacturing

Nutrine produces its confectionery with a main factory at Chittoor and with packing arrangement at various centers. Chittoor district lies in an advantageous horticultural belt where tropical fruits like banana, mango and papaya grow in abundance. They also get very good crops of lime, tomatoes, etc. Vegetable and fruit processing are therefore natural developments in this region and Nutrine has been in the forefront of these development activities. Their current research extends to processing of guava, pulp and banana pulp and also a host of health and dietary products. The production capacity of Nutrine and its major competitors is given in Exhibit 2.

EXHIBIT 2

Production Capacities

Company	Capacity (in tonnes)
Nutrine	20,000
Parle	20,000
Parrys	15,000
Ravalgon	10,000

Market

The overall industry growth rate is 6 per cent per annum where as organised sector is growing at the rate of 8-10 per cent. By next year, the present Rs. 1500 crore market is likely to touch Rs. 2400 crore.

Nutrine enjoys a high market share of 34 per cent in confectionery in the organised sector in India. The strength of Nutrine lies, not only in its manufacturing capabilities, but rests to a great deal on its wide marketing reach. Nutrine is available throughout the country through a network of 32 depots-cum-C&Fs more than 2210 distributors and 4 lakh retailers. Its major competitors are listed in Exhibit 3.

EXHIBIT 3

Major Competitors to Nutrine

Confectionery	Parrys, Parle, Bakemans, Ravalgon, Nestle.
Chocolates	Nestle, Cadbury, Campco.
Gums	Wrigley, Perfetti, Gum (India) Ltd, VM Confectionery.
Instant foods	Orkay, Nestle, MTR.
Fruit bars	Sunrays.

Nutrine has exported confectionery and mango fruit bars to Australia, Bahrain, Bangladesh, Canada, Kenya, Malaysia, Mozambique, New Zealand, Nepal, Norway, Saudi Arabia, Singapore, Sri Lanka, USA, etc. It is keenly interested in being the leader not only in confectionery, but also in vegetable and fruit processed food products, etc.

Tapping the Rural Market

The company right from its inception, has a special interest in rural areas. They have been concentrating more in the untapped areas of rural India because of growing competition in urban areas. Added to this, the projected market size for chocolates in rural areas is taken as 20,000–22,000 tonnes which was only 10,000 tonnes 3 years ago.

The company has found a large potential in the rural markets, especially for its brands like *Mahalacto*, *Kokanaka*, *Dishum*, and *Aasay*. The main competitors for Nutrine confectionery are Parrys, Revolgon, Kwality and to a large extent the unorganised sector. In this competitive market, the company has nearly 40 per cent of the rural market share.

Distribution

The distribution channel is depicted in Figure 1.

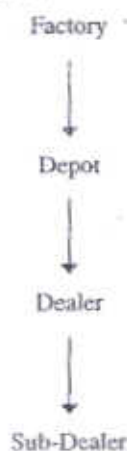


Fig 1 Distribution Channel of Nutrine.

The depot covers about 2–3 districts. The sub-dealer will employ his own people to distribute chocolates in the interior places with the help of the company. If the area consists of a population of more than 25,000 then the company salesman will be travelling in these places.

The major areas of operation include Andhra Pradesh, Tamil Nadu, Kerala, Karnataka and some parts of Northern India. The growth rate in this sector is predicted at 5 per cent per year. All these activities are coordinated and controlled by the marketing head office situated at Chennai.

The Strategy

Products are made according to the familiar tastes like Coconut, Mango, Papaya. Unfamiliar and alien flavours like strawberry, lime, etc., are not considered.

Products

The colours used in the packaging are thick, attractive and glossy to capture the fancy of children. The products are made available in three types of packaging—twist, basket, and pillow. However, consumer preference seems to be in favour of the pillow type.

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SECTION - II

Attempt all questions.

Total Marks : 30

Marks will be deducted for exceeding the word limit

Q 1. Explain, how does the brand strategy change as one moves across a PLC with respect to the following terms: 15

- Brand Equity
- Brand Value
- Brand Image - 18 L
- Brand Recall- 7 L
- Brand Identity - 15 L
- Brand Personality- 8 L
- Brand Tonality- 8 L
- Brand Loyalty- 20 L

Figures in parenthesis shows the cost to take up the activity. One can use the *complete or half amount* of the above given costs. The allowed expenses across the PLC is as follows:

Introduction - 25 L, Growth - 30 L, Maturity - 25 L, Decline- 20 L. The money saved in one stage can be taken forward to the next stage but not vice-versa)

Explain with an example.

(The answer should not exceed 200 words)

Q 2. Explain the difference between the following terms: (any two) 08

- POP & POS
- Product Based & Service Based Sector
- Marketing & Sales

Use any two sector to explain the above

(The answer should not exceed 300 words)

Q 3. Write the positioning statement for the following: (any one) 07

- Car
- Salt
- Machine manufacturing company

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