199 Keting Application & Pactice 22.04,2009

MAPO2 MMS-IL Sem.

SECTION - I (30 Marks)

Roll no.

Total No of Questions: 5 (Section - I) Total No of printed pages:

Maximum marks : 60

Note: Section I 4 II to be solved on Separate Answer Book-

Notes: 1) All questions carry equal marks.

2) Question no 1 is compulsory. Write any two questions from O, no 2 to O, no 5.

Oll Crossword is a name familiar to many Indian book lovers. But what has happened to it recently may make it familiar to many more in that segment. Starting out with properties of around 5,000-10,000 square feet at Mumbai & Pune, it has now gone and set up smaller corner bookstores around 300 - 1000 square feet in size. Why is this happening?

There are several reasons, but the major one is the bad state of commuting in most of the Indian cities. People who once traveled miles to shop for books are no longer venturing out that far. Secondly, it is easier to manage smaller stores in terms of inventory, staffing, flexibility and so on. Also, in the true marketing spirit, it takes the book store to within "walking distance of desire", to paraphrase the famous cola drink vision.

For an investment of Rs 5-10 lakhs, the corner Crosswords stores are able to breakeven in a year's time. The stock turnover is 40 per cent higher than at large stores. And sales per square foot are around 50 per cent higher.

Officially, the corner Crosswords target the light readers, who are not devoted enough or discerning enough to go long distances and browse long and hard, and buy dozens of books.

- Ol What other strategies can Indian booksellers use to drive their market expansion or growth?
- Q2] What are the benefits of channel management in improving the B2B marketing w.r.t. becoming competitive at global market.
- Q3] Discuss the consumer behavior in consumer durable products marketing in India?
- Q4] Yoga & spirituality have long been India's strengths in foreign markets. If you wanted to use Indian traditional knowledge & sell books based on it in global markets, how would you go about it? Describe your plan?
- Q5] Write short notes on any two:
- a) FMCG marketing in India
- b) Steps in Organizational buying
- c) Business market characteristics
- d) services marketing

Roll No .:

Total No. Of Questions: 4 (Section - II)

Maximum Marks :- 30

Section II

Note:- Answer Any Three Questions .

All Questions carries equal marks [10X3=30]

- What is Event Marketing? Why companies are paying more attention on event marketing? Discuss various kinds of events organized by the companies with suitable examples.
- 2. What are the major factors that have contributed to growth in direct marketing? Give examples of some companies who are into direct marketing and what are their products?
- 3. A recent study by AC Nielson has shown that a significant change driver in rural families is the young daughter-in-law. She is today an important buyer of cosmetics and even the latest household products. Given these findings, Lakme and Revlon have decided to launch their products in rural markets. Evolve a marketing plan for the launch of Revlon brand of cosmetics in these markets?

4. Case Study:

Shopper's stop has close to 400 vendors supplying various products. Initially, the company had a distribution center attached to each of the stores, now with an online supply network system, the company has opted for regional distribution centers. The regional distribution centers exist at Mumbai, New Delhi and Bangalore which performs the service function for the stores in and around these places. (For example, the distribution center at Bangalore services the Chennai store).

The nucleus of <u>retail management</u> is buying right and replenishing right so that the availability is optimum. The online supply network based on the ERP package handles merchandise management, warehouse management, automated replenishment and <u>sales management</u>.

The merchandising management module helps decide on the right kind of products that have to be bought for the store. It can be anything ranging from a particular brand, fit, style, material and colour of trousers for instance. The module

identifies vendors, fixes the buying price and selling price, and even raises purchase orders. It also points out what merchandise a particular store is carrying at that point of time. On the other hand, the automated replenishment system indicates when stocks have to be replenished. For example, if out of 50 Arrow shirts, five have been sold, the system automatically orders for replenishment. The ensures that with minimal effort, the stock is replenished.

Similarly, the warehouse management system manages the inventory throughout the <u>supply chain</u>. This module indicates from which part of the warehouse to pick up a particular colour or design of merchandise.

Before the online ERP package came into function, the distribution system was completely dependent on individuals who were in charge of receiving, tagging and storing the stocks and since most of the stocks were stored in cartons, it was difficult to identify the stocks in the absence of the particular individual who had received the stocks.

The on-line supply network has-increased the availability as well as restricted buying excess stock. The objective is to see that the customer does not leave the store just because he could not find something that he wanted. Apart from ensuring efficiency in the supply network between the vendors warehouses and the stores, the system has increased customer satisfaction.

Apart from the current online supply network, the retail group also plans to implement a merchandising planning software and link itself with the vendors through a web-based technology. This will give on-line information to the vendors as to how a particular brand is selling, and whether stocks need to be replenished.

At present, merchandise is received at least once a day by the local stores and twice a week by the outstation stores. Merchandise is received at the stores only in the morning before 11 am, so as to ensure that it is on the shelf before the first customer walks into the store.

Creating The Brand Experience:

Shopper's Stop has always aimed at providing a superior shopping experience to the retail customer. Keeping this in mind it has created events and promotions, which target either an increase in the business at the store or provide a unique experience to the customer.

One of the first events to be organised by Shopper.s Stop was DOTY - the Designer of the Year Award. This was awarded to the young and budding designer for image, design and creativity. While this was very popular with the student, it did not do much for the customer. Keeping this in mind, a unique event .The Festival of Britain in India. was organised.

Taking the experience plate form further, the festival of India .Parikrama., was created in the year 1998. Over the years Parikrama has been redefined as a festival, which celebrates and enjoys Indian Culture. In 2003, this festival was held for a period of seventeen days, beginning August 8th to 24th across its 13 stores around the country. Artists from different states of India showcased their unique talents like miniature painting, bead jewellery, terracotta, sholapith work, lacquer toys to palm leaf etchings, pattachitra, coir toys, dance, music and much more. For this special occasion, the in-house design team had created an exclusive line of ethnic wear for women under the private label STOP and KASHISH. The collection had festive colours combined with regional flavours, crafted in a medley of rustic and rural techniques, fused with exclusive fabric and embellishments using bead work, mirror work and traditional prints. The colours used were Indian reds, flame oranges, turmeric yellows, chutney greens, indigo blues, majestic purples and soothing off-whites.

A unique festival, which focussed on both sales and the customer experience, was .The Seven Wonders Festival.. For this festival each store reflected the characteristics, sights, sounds and feel of the seven wonders - The Eiffel Tower, the Leaning Tower of the Pisa, the Pyramids of Egypt, the Great Wall of China, the Great Barrier Reef, Niagara Falls and the Grand Canyon.

In addition to the decor of the store, Shopper's Stop also brought in international performers like the unicyclist, ."Statu Man". from Italy - a man who refused to budge, a Juggler from France who juggled with things like knives and devil sticks, dancers, painters and a trupe of colourful Red Indians who performed traditional native American rituals among many other added attractions. A large number of attractive offers were also in store for the shopper.

Questions:

While the events and promotions have brought the customer to the store, the courteous

and helpful staff has ensured that the customer stays loyal to the store. Going forward, the leadership needs to consider the following issues:

- (a) The existing stores have been set up in the major metros and mini metros. To effectively cover the Indian market, a presence is needed in the class B and smaller towns in India. What is the strategy that can be adopted by Shopper's Stop to enter these markets?
- (b) Keeping in mind the current scenario, where a large number of internationally established retail chains may enter India, how should Shopper's Stop work towards strengthening its position in the domestic market?