

Con. 5349-09.

Marketing Strategy (MMS-III)  
(Marketing)  
(3 Hours)

DS-5732

[ Total Marks : 60

- N.B. (1) **Section I** is **compulsory** and carries **20** marks.  
(2) In **Section II** answer any **four** question out of **six**. Each question carries **10** marks.  
(3) Write both the Sections in **one answer book**.

### Section I

1. Suraj Sharma grew up in a very traditional north Indian Family where taking medicines for petty problems were frowned upon. Elders felt that minor ailments could be cured by appropriate precaution and diet control. Suraj particularly remembered how he was childed for wanting to eat ice cream when he had a sore throat. He was not only denied his favourite ice cream but was also given a dose of ginger juice to get over the sore throat.

Suraj majored in Commerce and rounded it off by doing an MBA in Marketing from USA. He returned to India and bought out "Cool Ice Cream Pvt Ltd, a company known as a manufacturer of the finest ice cream in India with an All India distribution and very strong Brand Image.

Suraj was visiting his elder sister who stayed in another town when his throat became infected. Out of his old habit, he gave up ice cream and asked his sister for some ginger juice. His sister, out of sympathy for the dear brother, mixed some ginger juice in a bowl of ice cream and Suraj ate the innovative product with great delight. The entrepreneur in Suraj told him that this was an excellent marketable product. Shortly after returning to his company, Suraj instructed his R & D centre at Cool Ice Cream to develop ginger-based ice cream. The product was developed and named Adrak Ice Cream and was tested in the market. The concept of an ice cream with ginger, which would protect the throat of those who relished ice cream, was well received in the market.

Suraj soon called a conference of various departmental heads to work out the pricing for Adrak Ice Cream. The General Manager Finance wanted the price to be cost of the product plus 100% profit. The R & D head supported him vehemently. He added that the product would be copied very soon and Cool Ice Cream would lose the initial advantage and investments for developing the product. The Sales team advocated a low price to introduce the product so that the product could gain wide acceptance and penetration in the market. It could get the First Mover advantage and win the war of the taste buds. This could create a loyal franchise which would be difficult to dislodge by late competitors. The Manufacturing Manager was not willing to compromise the quality to cut price/cost. He insisted that Cool Ice Cream must maintain its fair brand image at all costs. The Purchase Manager pointed out to the difficulties of buying and keeping stock of an agricultural product like ginger. He added that this could add to the costs.

[ TURN OVER

**Questions :—**

- (1) As a Marketing Consultant what factors would you consider to determine the price for Adrak Ice Cream ?
- (2) From the marketing logic point of view what pros and cons would you consider prior to giving your views on the pricing ?
- (3) What alternate strategies would you suggest as the Marketing Consultant ?
- (4) What pricing and Distribution strategy would you finally recommend for a All India rollout ?
- (5) In the event of a failure in the initial strategy what contingency strategies would you plan for Adrak Ice Cream ?

**Section II**

2. What are the various strategic options that emanate from Product Mix Strategies ? 10  
Elaborate with examples for each of the quadrants.
  3. Elaborate on Igor Ansoff's Model. What strategies will you recommend for : 10
    - (i) Declining market
    - (ii) High Brand Concentration ratio market with very marginal market shares and profits for each of the players ?
  4. "The BCG Matrix is a tool that can be very aptly used for Combating Competition" Elaborate 10  
giving your views on strategies that can be effectively generated for the BCG Matrix.
  5. Followers get attracted for to rapidly growing markets ? What are the opportunities and 10  
risks in growth market ?
  6. Explain growth strategy you will adopt during the slow phase in the economy. 10
  7. Write a short notes on any **two** of the following :— 20
    - (a) Distinguishing between Flanking and Guerrilla strategy
    - (b) Internet Advertising and its Target Audience
    - (c) Relationship between Positioning concept and Position strategy
    - (d) Advantages and Disadvantages of Rural Penetration Strategy.
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