VPM's DR VN BRIMS, Thane Programme: PGDM (2017-19) (Mktg.) PGDM Trimester V Examination December 2018

Subject	Marketing Analytics		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	28.12.2018

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions. Q1) 20 Marks (Compulsory)

Dish TV, Asia Pacific's largest direct-to-home (DTH) company, has now become the world's second-largest DTH operator post Videocon D2h's merger with itself, which was executed a few months back. Announcing the merger, DishTV India's chairman and managing director Jawahar Goel said that Videocon d2h and DishTV India had become one entity. "This amalgamation positions the new entity for exceptional future growth and profitability and puts on us the responsibility to lead the DTH industry in India to the next level."

Talking into account the subscriber base of Dish TV (16.1 million) and Videocon D2h (13.4 million), the merged entity is now the world's second largest DTH operator with 29.5 million subscribers. Both brands will continue to be offered separately to new subscribers in the market post completion of this merger.

According to a report by Axis Capital, DishTV is poised to benefit from the synergies with Videocon d2h as the content cost will get aligned. The synergy will also lead to lower overheads, given the duplication of service centres, administrative costs, etc. Furthermore, the two together could also lower the set-top box procurement cost.

However, near-term challenges include relatively slower subscriber additions (two million per annum), limited ARPU (Average Revenue Per User) growth and threat from digital penetration.

- I. You as an integral part of Dish TV's core marketing team are required to prepare a detailed plan on how Dish TV can use 'CLV' (Customer Lifetime Value) and 'Critical Success Factors' process to achieve growth from merged brand 'Videocon d2h'.
- II. Assume that, Videocon d2h charges on an average Rs.400/- per month. Its variable costs are Rs. 35/- per customer per month. With marketing spending of Rs. 240/- per year, its attrition is only 0.5% per month. At a monthly discount rate of 1%, calculate the CLV (Customer Lifetime Value) of a customer? Dish TV team, after merger is planning to cut the marketing spending of Videocon

Dish TV team, after merger is planning to cut the marketing spending of Videocon d2h from Rs. 240/- to Rs. 120/- per year, for which it expects its attrition to go up to 1% per month. Should they go for it? Why/ Why not?

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) — (5x2) = 10 Marks

- a) Mr. Murthy owns a chain of retail stores in different parts of the country. In order to grow its revenue, the management wants to use marketing analytics. You as marketing analytics consultant are required to guide them on how Descriptive, Predictive & Prescriptive Analytics can be useful for their retail stores.
- b) From the following data, calculate Annual Brand Equity of "Brand A"

Year	Brand	Share	Price/Kg.	Kg./HH	
2017	Private Label	8.5	0.40	5.4	
2017	Brand A	27.5	0.75	5.4	

(Assume: 20% margin for private label & 100Mn HHs)

c) How 'Balanced Scorecard' can be useful for an organization? Prepare a 'Balanced Scorecard' for any hypothetical organization.

Q3) Any two from (a) or (b) or (c) — (5x2) = 10 Marks

- a) A company averages 5% organic sales growth and it run a campaign worth Rs. 20,000/-for a month. The sales growth for that month is Rs. 35,000/-. Calculate Campaign Attributable ROPI (Return On Promotional Investment).
- b) How an organization can use "Metrics" and "Models" with respect to marketing analytics? Explain with suitable examples
- c) A two decades old FMCG company has shown interest towards using Marketing Analytics. You as a representative of a Marketing analytics firm, needs to guide the management of this FMCG Company, on how it can benefit their company.

Q4) Any one from (a) or (b) ——— (10x1) = 10 Marks

- a) Maruti Suzuki is planning to launch electric car in the range of Rs. 4 to 6 lakhs. You as a marketing consultant are required to give detailed explanation of Market Sizing and usability of "Top-down" and "Bottom-Up" approaches of Market Sizing.
- b) Explain with example of a stationery company, how it can do Pricing Assessments using 'Break-Even', 'NPV' (Net present value) and "IRR" (Internal Rate of Return) methods

Q5) Any two from (a) or (b) or (c) — (5x2) = 10 Marks

- a) *"When it comes to analytics, the two operating words are <u>data</u> and <u>decisions</u>" Explain with suitable examples of how analytics enables decision making, using the data of different departments.*
- b) How 'Mental model' and 'Text analytics' can be useful for any company? Explain with relevant examples.
- c) Considering the example of a Smartphone making company, explain how it can use 'Trial rate' & 'Diffusion Model' method for forecasting the sales.

Q6) Any two from (a) or (b) or (c) ------(5x2) = 10 Marks

a) Calculate CLV (Customer Lifetime Value) using simple CLV metric from the following data of an Internet service provider:

Expected Customer Lifetime in Months	18
Avg. Gross Margin per month per customer	Rs. 500
Avg. Marketing costs per month per customer	Rs. 60/-

How this CLV value would be useful to this internet service provider?

- b) An automobile company is investing good amount of money in promotion through several different mediums (TV, Print, Direct Marketing, Digital etc.) but not getting the expected results from it. You as a marketing consultant are required to suggest how the company should do Promotion Allocation using Linear Optimization Process.
- c) How a firm can effectively implement the 'Data Mining Process'? Explain with suitable examples.

Q7) Any one from (a) or (b) ——— (10x1) = 10 Marks

- a) A well-known Airlines company has requested bids to acquire a controlling stake in its airlines business. You as a consultant of a prospective investor are required to give detailed explanation of how "Interbrand Brand Valuation Model" and "Young & Rubicam Brand Asset Valuator" can be helpful to understand different aspects of this airlines brand
- b) Develop 'Brand Architecture Pyramid' for any two competitive FMCG brands.