



## P.E.S. College of Engineering, Mandya - 571 401

(An Autonomous Institution affiliated to VTU, Belgaum)

**First Semester - Master of Business Administration (MBA)**

**Make – up Examination; Feb - 2016**

**Marketing Management**

*Time: 3 hrs*

*Max. Marks: 100*

*Note: Answer any **FOUR** full questions from **PART - A** and **PART - B** (Case Study) is compulsory.*

### PART - A

- 1 a. What are the marketing concepts? Explain the evolution process management philosophy. 10  
 b. What is marketing environment? Why it is considered to be critical for a marketer? 10

#### OR

- 2 a. Discuss the importance of market segmentation in marketing decisions and explain the basic methods of market segmentation. 10  
 b. What are buying motives and explain the different types of buying motives? 10  
 3 a. How do organizational markets and their behavior differ from those of final consumers? 10  
 b. Brief out different levels of target marketing. 10

#### OR

- 4 a. Explain the different stages in consumer buying process. 10  
 b. Discuss the various types of positioning strategies. 10  
 5 a. Explain the different levels of product using a diagram with an example. 10  
 b. What are the important brand strategy decisions? Give an example for each. 10

#### OR

- 6 a. “Package is a silent salesman” do you agree? Why? 10  
 b. What are the different pricing strategies involved in marketing? Explain with examples. 10  
 7 a. Discuss the advantages and limitations of major media that have to be considered while selecting the medium for advertising. 10  
 b. What is Retailing? Explain the different types and their marketing decisions. 10

#### OR

- 8 a. What are the needs for marketing organization? What are the different types of marketing organizations? 10  
 b. Explain the various methods of marketing audit and mention its features. 10

**PART - B**9. **Case Study:****Complan's Positioning Success**

The problem of marketing Complan is somewhat unusual. It is, and it is perceived as far superior' to competing brands. This makes housewives think, "It's too much of good thing. Do we really need all this?"

The origin of Complain explains its vastly superior formulation. It was developed by Glaxo Laboratories as complete and balanced nourishment for serious medical and surgical patients unable to take normal food. The name, complain, is taken from the phrase, complete planned food. Introduced into the Indian market in the early sixties, Complan was first promoted 'ethically', that is, to doctors who then prescribed it for patients. This doctors and a growing, if modest, tonnage of sales was achieved. However, after some time the growth levelled off. In 1970, Glaxo started promoting complain along with some other of its ethical brands over the counter, i.e., promotion them directly to consumers with mass media advertising. For while, this worked to increase their sales volume.

In its very first public appearance, Complan adopted the strategy of 'Positioning by Competitor'. It positioned itself directly against milk.

'Your body needs 23 vital foods' said the first ad, 'Milk gives 9 Complan gives all 23'

Factual information about how the 23 nutrients affect bodily functions was also given in the ad copy. This advertising and the position assumed by the brand created a high degree of awareness and trials. The consumer off-take of the brand rose from the volume index of 100 in 1969-70 to 298 in 1973-74. The steady growth also reflected that a considerable number who tried the brand stuck to it and repeatedly purchased it. But later, a rethinking on his positioning was called for. It was clear that Complan couldn't displace milk which is a staple source of life, growth and health. A fresh look at the positioning decision logically led to looking at other malted milk-foods like Horlicks, Viva, Bournvita etc. in the health beverage product lines.

The decision was to reposition Complan against Horlicks, the leader in the health beverage industry. The new ad headline said: "Your body needs 23 vital foods every day. Check how many do other food drinks give'. The consumer was urged to read the label on the complain tin and to compare it with the label of his present brand, assumed to be Horlicks. But this strategy bombed and the year 1974-75 was the first time when sales of Complan declined. A thorough review appeared to be the need of Complan's price was almost double that of Horlicks. Its taste was disliked by many, especially children. Also many children related Complan to a medicine, useful in sickness or thereafter. It was considered too special, and therefore, selectively used. While other brands were growing, Complan was not.

Complan then got a position by competitor, but by target user and usage occasion:

‘Complan is ideal for totally fulfilling the nourishment needs of people who cannot or do not eat enough, because only Complan is complete with 23 vital foods for the body’.

Complan was positioned as the only brand with enough good things to give the housewife the reassurance she needed. Not only Complan advertising, but the product itself wore a new and more attractive look. The package design was cleaned up and modernized. The product’s taste was improved through a change in the manufacturing process. New flavours were also introduced. And the price was increased.

The repositioning strategy, together with product improvements provided the thrust for a take-off in sales. From an index no. of 203 of sales volume in 1974-75, sales shot up to an index of 408 by 1978-99. The availability of full-fledged commercial TV in 1978 and the heavy use of this medium by Complan gave the brand further thrust.

It became clear that price was not the barrier to growth. By positioning Complan in a unique slot, consumers were persuaded to see that it had no real substitute and a new price-value perception was created for the brand. Soon a sharper, narrower positioning strategy was adopted stressing that Complan was for growing children. Sales data showed that Complan’s growth was accelerated following the most recent re-positioning.

**Questions :**

- a. Explain the reasons behind the repositioning decisions for Complan. 7
- b. What were the reasons for success of the latest repositioning? 7
- c. Bournvita, Maltova and Boost are also positioned for children. How should Complan reinforce its position against these competitors? 6

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