

BITS, PILANI – DUBAI CAMPUS
Knowledge Village, DUBAI
2nd Year – Semester II – 2006-2007
Course – MGTSUC233 – Principles of Marketing for Engineers

Component	Comprehensive Exam	Date	28.05.2007
Maximum Marks	40 (weightage 40%)	Duration	3 Hrs.

Student's ID No: _____

Student's Name in Full: _____

Students are directed to answer Section A in Main Page and Section B in Additional Sheet

SECTION - A

I. Choose the alternative which you think is the most appropriate answer: (0.5 x 12 = 6)

1. Which of the following strategies are not adopted during the decline stage?
 - a. Divesting the assets of the firm
 - b. Cutting price to push the product sales
 - c. Sales promotion to encourage brand switching
 - d. Selective distribution outlets

2. Each of the leading Japanese auto companies introduced an up market automobile: Toyota launched Lexus, Nissan launched Infinity and Honda launched Acura, not only to add margins at the higher end, but also to add prestige to their current products. They used entirely new names rather than their own names. This is known as
 - a. Line stretching
 - b. Line filling
 - c. Line extension
 - d. Brand extension

3. During which of the following stages does a firm reap maximum profit?
 - a. introduction
 - b. growth
 - c. maturity
 - d. decline

4. Rolex watches that have a strong brand loyalty, great deal of purchase effort, exclusive distribution outlets and high price tags are an example of which type of consumer products?
 - a. Shopping
 - b. Unsought
 - c. Specialty
 - d. Convenience

5. A 100-ml bottle of Lancôme perfume purchased from Paris Gallery in Bur Juman shopping mall costs 200 dhs while the same perfume costs only 175 dhs if purchased from a lesser known shop situated at Meena Bazar in Bur Dubai. This price adaptation strategy is called
 - a. Geographical pricing
 - b. Differentiated pricing
 - c. Promotional pricing
 - d. None of the above

6. Which of the following are not reasons for cutting the price of a product?
 - a. Firm wants to increase market share
 - b. To erect entry barriers for new entrants
 - c. The product is in the decline stage
 - d. Over demand for company's products

7. Which of the following does not fall under psychological factors that affect buying behavior of a consumer?
 - a. attitudes
 - b. perception
 - c. motivation
 - d. none of the above

8. More and more consumers are becoming increasingly becoming aware of the harmful effects of artificial fertilizers and pesticides and would like to turn towards organically grown foods at affordable prices. What is the type of demand for these organic foods?
 - a. Latent demand
 - b. Unwholesome demand
 - c. Negative demand
 - d. Full demand

9. A customer who wants the best performance in terms of product quality, assistance, reliable delivery etc is known as
 - a. Strategic value customers
 - b. Price oriented customers
 - c. Gold standard customers
 - d. Solution oriented customers

10. If General Electric wants to take a decision in supplier selection and retention, it reviews the performance of the chosen suppliers either by evaluating them based on established criteria or contacting its end users for feedback. This is generally done in the case of
 - a. New task buying
 - b. Modified rebuy
 - c. Straight rebuy
 - d. All of the above

11. Citibank and V.V. & Sons have put together their resources to come up with a marketing program whereby usage of Citibank credit card will guarantee 20% off on home theatre and hi-fi systems till the end of this month. This is an example of
 - a. horizontal marketing system
 - b. vertical marketing system
 - c. multichannel marketing system
 - d. none of the above

12. Arabian Safari, a local travel and tourism company decides to tailor-make its travel programs based on the risk taking abilities of its clients. The company has adopted
- behavioral segmentation
 - geographic segmentation
 - psychographic segmentation
 - demographic segmentation

II. Case study 1

Unilever's mission is to add vitality to life by meeting everyday needs for nutrition, hygiene, and personal care with brands that help people feel good, look good and get more out of life. Every day, all around the world, 150 million people choose to make our brands part of their lives.

The organization is an excellent illustration of successful diversification and is into food, home care and personal care products. A leading margarine manufacturer, the company has 3 three brands – Flora (Light spread, Omega 3 Plus, Buttery Spread), Becel proactive spread and Blue Band (Good Start spread & Liquid Margarine). A number of brands in the detergents segment have made Unilever a household name. It produces its brand Omo in four forms – Tablet, Packet, Capsule, and Liquid. Its most popular brand Surf Advanced became a byword for laundry. Rin is another detergent launched by the company with its variations, Rin Advanced & Rin Shakti. Persil is a popular detergent name in UK. Sunsilk Color and Shine, Sunsilk Silky and Straight, Sunsilk Waves and Curly were popular shampoos. The latest brand entry in shampoos product line has been Dove. In the moisturizers segment, while Dove & Pond's have made a significant mark, it is only Vaseline that has achieved brand loyalty. Vaseline boasts of the following varieties, Petroleum Jelly, Cocoa Butter, Body Lotion and Intensive Rescue. Deodorants introduced were an instant hit, especially Axe, while Brut, Impulse, Dove and Rexona were excellent enough to give competitors a run for their money. In 2005, Unilever formed a unique global partnership with the FDI (World Dental Federation) that has made a huge impact on its oral healthcare products. The company has a record success in oral healthcare with its brands, Signal, Pepsodent and Closeup. This division is riding high on the success of Closeup Gel and Closeup Whitener.

- You are required to formulate a table depicting in detail the product mix of Unilever. **(3 marks)**
- Calculate the product mix width, length and depth. **(1.5 marks)**
- Comment on the consistency of the product mix. **(0.5 mark)**

III. Case study 2 (1 x 4 = 4)

Sports goods manufacturer, Sporty, is planning to market a new tennis racquet aesthetically designed, under the brand name AmPro with the tagline, *Today's Amateurs, Tomorrow's Professionals*. The product is a tennis racquet, which is made of a new light, hardwearing material. The design is new and is claimed to allow the player to make the tennis ball go even faster than the present tennis racquets. The new product is unique and technically advanced as it offers the possibility of improved performance and hence players would be willing to pay a high price for it. It provides a one-year warranty and comes in a stylish shoulder sling bag. It is targeted at people who are very skilled at tennis, the keen amateur who may turn to professional tennis in the near future. The company is looking for a top seeded tennis player to endorse its racquets at tennis tournaments and boost its brand image. While the products will be advertised at specialist tennis magazines and at the point of sale, emphasis will be more on publicity and public relations, which the management feels, will be more beneficial. The tennis racquet will only be sold through specialist sports shops at huge shopping malls, where the salesmen are trained to provide accurate technical information about the racquets.

- What are the attributes that the company has concentrated on in the component 'Product' in its marketing mix?
- Give 2 reasons for the management to feel that publicity is more beneficial than advertising.
- What channel level has the company adopted in distributing its tennis racquet? Why?
- What type of market segment is the company serving in this case?

IV. Case study 3 (1 x 3 = 3)

Marshall Ltd, with an investment of Dhs. 135,000 manufactures 10,000 security locks in a year. Each lock currently retails at Dhs. 20 each. The overheads for the factory total at Dhs. 60,000 per annum and the variable costs of production are Dhs. 5 per lock. The management is considering a proposal of revising its selling price. It is yet to take a decision as to whether the new price should earn a return of 30% on its investment or whether it should set the price as 20% markup on sales.

- 1) What would be the new selling price if the management adopts -
 - a. Markup pricing
 - b. Target return pricing
- 2) Calculate the average cost per unit

V. Answer the following: (1 x 2 = 2)

- a. Specify four participants in the buying center.
- b. An important micromodel of marketing communications is the AIDA model. What is AIDA an acronym of?

SECTION - B

1. Exchange as we know is the process of obtaining a desired product from someone by offering something in written. For exchange potential to exist, five conditions must be satisfied. Which of the following conditions does not form a part of the five conditions? [0.5]
 - a. There are at least two parties
 - b. Each parties has something that might be of value to the other parties
 - c. Each parties is capable of buying and selling
 - d. Each party is capable of communication and delivery.
2. In a marketing system there are four flows. Which of the following is incorrect? [0.5]
 - a. communication flow from the industry(seller) to the market (buyers)
 - b. flow of goods & services from sellers to buyers
 - c. flow of money from sellers to buyers
 - d. information flow from buyers to the sellers
3. The demand in a business market can be – [0.5]
 - a. derived
 - b. inelastic
 - c. fluctuating
 - d. all of the above
4. In Virgin Mega store the marketer sells and charges for– [0.5]
 - a. goods & commodity
 - b. service
 - c. experience
 - d. none of the above
5. Nissan, happens to be one of the best car makers in the world as far as the engine, the break system and mileage are concerned. It recently launched a vehicle TIIDA for the mid segment market. In addition to provision of air bag and anti break system, wide tires and many other features normally provided in high end cars, it also promised a three year warranty and 90,000 kms (which ever is earlier), initial four free services, extended two years warranty and free insurance . Identify the value proposition for the vehicle TIIDA. [1]

6. India's Number one watch maker Titan sells its watches through- World of titan, Time zone, ValueMart outlets, Sonata stores, Signet club, Tanishq boutiques and some private multi brand outlets. What you will call this distribution channel. [0.5]
7. Among the following inferences which one can be understood as a Price Cue? [0.5]
- The prices catalogue for consumer goods supplied by a large scale retailer
 - The product being priced at \$299 instead of \$300
 - More the price more is the quality
 - Better quality products are heavily priced.
8. Name the following expressions – [0.5 x 10 = 5]
- the act of designing the company's offering and image to occupy a distinctive place in the mind of the target market.
 - The differential effect that brand knowledge has on consumer response to the marketing of that brand.
 - a set of procedures and sources used by managers to obtain everyday information about developments in the marketing environment.
 - marketing activity that refers to building mutually satisfying long term relationship between parties – customers, suppliers, distributors etc.
 - company and its supporting stakeholders with whom the company has built mutually profitable business relationship
 - marketing firms who design and carry out research studies for various clients based on specific briefs.
 - marketers have to work hard to attract consumer's notice
 - consumers who are loyal to two or three brands
 - manufacturer using advertising and promotion to persuade consumers to ask intermediaries for the product, thus inducing the intermediaries to order it.
 - Intermediary channel that consists of the manufacturer directly selling the product to the final customer.
9. Name the type of competition for GIORDANO in the following cases – [0.5 x 2 = 1]
- Competition against Bossini
 - Competition against readymade garment manufacturers
10. In the present day market all the banks are facing a demand from the customers for getting a credit card which is free from annual charges. Keeping this in view RAK Bank came out with a credit card which along with all the benefits that other cards are providing is free for life. What name will you give to RAK Bank as a marketer? [0.5]
11. Alokozy Tea is a new entrant in the UAE market. It has selected big retailers like Carrefour, Lulu, Al Manama etc. to distribute its products. It has involved the intermediaries to promote the product by preparing tea and giving it to the customers for the shop to taste the tea free of cost. It also has asked the distributors to go for bundle offers and many such sales promotion measures to increase the sales. What is this strategy known as? [0.5]
12. Match the following by writing your answers clearly under headings Column A and Column B. [0.25 x 8 = 2]

<u>Column A</u>	<u>Column B</u>
Features	Personnel differentiation
Responsiveness	Image differentiation
Coverage	Product differentiation
Identity	Channel differentiation
Expertise	
Durability	
Courtesy	
Credibility	

13. In the following cases identify which branding strategies has been adopted from among the following – *individual names, blanket family names, separate family names for all products, and corporate name combined with individual product names.* [0.5 x 4 = 2]

- a. Samsung refrigerator, Samsung air-conditioner, Samsung television, Samsung mobile phones
- b. MDH channa masala, MDH kasturi methi, MDH jeera powder, MDH biryani masala
- c. P & G India has Vicks (health care), Ariel & Tide (fabric care), Whisper (feminine hygiene)
- d. Aaditya Birla group having Hindalco, Grasim Suitings, Ultra Tech cement, Graviera suitings

14. *Fill in the gaps – [0.5 x 10 = 5]*

- a. All advertisements of McDonald's which carry the tagline, *I'm lovin' it*, is a part of the firm's _____ that helps to identify and differentiate the brand from that of its competitors.
- b. In a marketing channel, _____ is a function that flows both ways, from the supplier to the customer and from the customer to the supplier.
- c. The product whose brand name has been licensed to other manufacturers who actually make the product is known as _____
- d. In a restaurant if you are given a questionnaire where you are expected to evaluate the food and service on a scale of 1 to 5, 5 being excellent what kind of a questionnaire is it?

- e. _____ marketing environment consists of demographic, economic, physical, technological, political and social environments.
- f. Customer's name, address, past transactions, activities, interests and opinions are compiled into a _____ which is utilized for decision making relating to its marketing activities.
- g. The difference between total customer value and total customer cost is known as _____
- h. Through its advertisements, Dominoes' Pizza has _____ itself in the minds of the target customer that it has the quickest door delivery system.
- i. Changes in technology and online marketing have led to _____ with more and more producers bypassing traditional channels of distribution and going directly to final buyers.
- j. In the case of _____ marketing, the government builds low cost houses which are similar to each other, in order to cater to the housing needs of expatriates, treating them as one whole market segment.

*****GOOD LUCK*****

BITS, PILANI – DUBAI CAMPUS
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2nd Year – Semester II – 2006-2007
Course – MGTSUC233 – Principles of Marketing for Engineers

SET - A

Component	QUIZ 2	Date	2.05.2007
Maximum Marks	25 (weightage 10%)	Duration	30 minutes

Student's ID NO: _____

Student's Name in Full: _____

Section A

Identify the product differentiation category in the following cases. Write your answers in the space provide after each question - [0.5 x 5 = 2.5]

1. Consumers were disappointed with TATA Indica Car as it could not deliver what it had promised to deliver.
2. When Mr. Sitaraman's daughter got married he presented her with a Taghuer watch. Taghuer was his instant choice as it is the one that he has been using for last 25 years without fail and not being laid down a single day.
3. After his retirement Mr. Muzafer wanted to buy an air-conditioner for his house. Even though he was interested to buy Hitachi, he went for LG as it had a wide service centre network available.
4. Abdul Qadir after his marriage wanted to buy an Almirah for storage. After surveying the market he went for Godrej Storewell even though it was a bit expensive.
5. Sheikh Ali wanted to experience with a herbal toothpaste and so he went to Carrefour to buy one. There he saw Colgate herbal, Close up herbal and many others with 100mg, 125 mg and 150 mg packs.

Section B

Refer the following table carefully. It presents the product mix information of a company. Then answer the questions. [1.5 x 3 = 4.5]

Product Mix of Company HIJ				
Detergents	Soaps	Liquor	Suitcases	Toothpastes
ABC (3 variants)	AA	ABCD	XY	P1
JKL	BB (2 variants)	EFGH	RS	S2 (3 variants)
PQR(5 variants)	CC		UV	B4
XYZ	DD			N6
GHI(2 variants)	EE			
DEF				
MNO (4 variants)				
STU				

6. What is the width of the product mix? Just answer in numbers. ---
7. What is the length of the product mix? Just answer in numbers. ---
8. What is the average depth of the product mix? Just answer in numbers. ---

Section C

9. Match the various industrial goods on the basis of their classification and fill in the blank table given after the question-[0.25 x 16 = 4]

Column A	Column B	Column C
1. Assembly Line	a. Component Material	I. Business Services & Supplies
2. Cotton	b. Component Parts	II. Capital Items
3. Cranes	c. Farm Product	III. Materials & Parts
4. Dusting Cloth	d. Natural Product	
5. Gas Cylinders	e. Equipment	
6. Limestone	f. Installations	
7. Steering Wheel	g. Maintenance & Repair Items	
8. Yarn	h. Operating Supplies	

Mark your answers here---

Column A	Column B	Column C
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Section D

Questions below have alternate answers. Please tick against the one, which you think as the right answer or nearest to it- [0.5 x 5 = 2.5]

10. Which of the following is not one of the four key components of brand equity according to Brand Asset Valuator?
 - a. Knowledge
 - b. Differentiation
 - c. Esteem
 - d. Loyalty

11. Product Life Cycle concept can be applied to
 - a. Product Class
 - b. Product Form
 - c. Brand
 - d. All of the above

12. Initially after-shave lotions were introduced in the brand name Old Spice. Later the brand name was used to introduce deodorants for men. This is called
 - a. Line extension
 - b. Category extension

- c. Product extension
 - d. None of the above
13. Nokia Group the Finland-based manufacturer of mobile phones, does not give names to its products, but use only numeric descriptors that do not even appear on the product. What is this brand extension known as-
- a. Sub-brand
 - b. Family brand
 - c. Co-brand
 - d. Parent brand
14. Which of the following is not a feature of the introduction stage of the Product Life Cycle?
- a. Low sales
 - b. Negative profits
 - c. High competition
 - d. High cost per customer

Section E

Answer the following questions in the space given after the question [1 x 7 = 7]

15. Companies go for product and/or market modification strategies at what stage of a product life cycle?
16. In developing countries the competition takes place at what product level?
17. All the thoughts, feelings, images, experiences, beliefs etc. that become associated with the brand is known as what?
18. Consumers' ability to identify the brand under different conditions, as reflected by their brand recognition or recall performance is known as what?
19. Purchasing a house can be classified as what in a consumer goods classification?
20. Emirates Airlines consistently wins Best Airline of the Year Award since it provides much more than just safe and comfortable travel, exceeding customers' expectations in the process. Where do you place it in the customer value hierarchy?
21. When customers react less favorably to a brand it is known as what?

Section F

Write TRUE or FALSE after each statement as your answer. [0.5 x 9 = 4.5]

22. Fads are styles that come quickly, adopted early and go out fast.

23. Brand equity arises due to differences in consumer response.
24. Points of Parity are benefits which consumers strongly associate with a brand, positively evaluate and believe that they could not find to the same extent with a competitive brand
25. Low profits is an indication that the product is in the maturity stage of product life cycle
26. Companies go for selective distribution in the growth stage of the product life cycle.
27. Bentley car is an unsought good.
28. To provide legal advice against duplication and competitors is a maintenance & repair service
29. Specialty goods involve comparison.
30. Branding of a product helps provide legal protection.

***** GOOD LUCK *****

BITS, PILANI – DUBAI CAMPUS
Knowledge Village, DUBAI
2nd Year – Semester II – 2006-2007
Course – MGTSUC233 – Principles of Marketing for Engineers

Component	TEST 2 [Open Book]	Date	15.04.2007
Maximum Marks	20 (weightage 20)	Duration	50 minutes

Student's ID NO: _____

Student's Name in Full: _____

Question 1

[0.5 x 7 = 3.5]

Read the following statements carefully. These statements are given by different participants in a buying centre.

Identify who is who in this buying centre?

Mr. Jones - "OK, it's a deal, we'll zero down on this supplier Merck Co. since its terms seem to be good."

Mr. Barrier - "We need to procure a bonding agent for our new product."

Ms. Sarah - "I'll place the order first thing tomorrow as we need the goods immediately."

Mr. Caprice - "I specified this bonding agent on another job, and it worked for them."

Mr. David - "Without an appointment no sales representative gets in to see Mr. Jones."

Mr. Johnson - "We can go ahead to buy it from Merck Co. as per Mr. Jones recommendations."

Mr. Richards - "This bonding agent better be good. I have to put this product together."

Question 2

[0.5 x 2 = 1]

Identify the nature of demand in the following business market situations.

- a. Goodyear, a leading tyre manufacturer, has a potential market that includes major auto manufacturers all around the world. A rise in the price of rubber by its suppliers, will not cause Goodyear to buy less of it, at least in the short run, unless it results in higher tyre prices that in turn will decrease consumer demand for tyres. The company might not be able to reduce its purchase, unless it locates cheaper suppliers or substitute raw materials.

- b. Globe Trading Company is the official uniform suppliers for most of the schools in Dubai. It gets the uniforms directly from manufacturers in India. On an average it places order for nearly 10000 uniforms in a year with an anticipated target market of 2500 students. Last year there was a major inflow of families from nearby gulf region to UAE resulting in an addition of another 1000 students all over UAE. This change in demand made Globe Trading to place orders for at least 15000 uniforms. This made a scarcity of buttons in the India market to be stitched in the uniform. This delayed timely supply of uniforms and then after it reached UAE there was a major packaging problem as package materials were not available.

Question 3

[0.5 + 1 = 1.5]

The government of Orissa in India requested bids for building a Iron and Steel Plant in the state. Jindal Steels of India made a proposal that included identifying the site for the plant, developing the factory as well as the site, building complete infrastructure and the machines, putting the plant into operation and then handing over the ready factory to the Orissa government. POSCO, a Japanese firm also made a proposal that included - in addition to the ones mentioned by Jindal Steels – hiring and training of workers to run the factory, export of steel to foreign countries through their trading companies and also going for a fertilizer plants with the wastes of the iron and steel plant. Undoubtedly the proposal of the Japanese firm POSCO was more expensive, however it bagged the tender.

- a. What is this type of selling known as? [0.5]
- b. Why should POSCO be given the contract? [1]

Question 4

[(0.5+0.5) x 3 = 3]

When Modi Xerox from India entered the Dubai market it faced varied situations while selling its product to business customers. Go through those situations and identify the customer types as well as selling types.

- a. While trying to sell Xerox machines to ABC institute the sales manager has to convince the institute management as to why they should go for Modi and how much cost effective it would become to the institute in the long run. He had to make a presentation regarding the competitive pricing of Modi, the maintenance cost history of Modi Xerox machines and also the after sales service.
- b. While trying to sell it to XYZ institute, the sales manager had to make a presentation about the product, its specification, its image and quality, the reliability and the company's long success story in India.
- c. While trying to sell it to PQR institute the institute management asked the sales manager to arrange for the price list of all the low cost machines from Modi as well as other competitive firms before they hear about the product or the company. They were more keen to know how much of discount can be availed if the amount of order were increased.

Question 5

[0.5+0.5=1]

Japanese car manufacturer Nissan offers two set of choices to its consumers who are interested in purchasing its new model vehicle Tiida. The first choice is the basic model priced at Dhs. 45,000 and the second is the full options model. For each additional benefit that the buyer opts for, he is charged extra over and above the price of the basic model. What are both these offerings called?

Question 6

[0.5 x 4 = 2]

- a. When Hong Kong was hit hard by the Severe Acute Respiratory Syndrome (SARS) outbreak, HSBC launched a program to revitalize the economy. HSBC ploughed back interest payment to customers who worked in industries most affected by SARS (cinemas, hotels, restaurants and travel agencies). The program eased its customers financial burden. The bank also promoted Hong Kong's commercial sector by

offering discounts and rebates for customers who use an HSBC credit card when shopping and dining out, to help businesses affected by the downturn. A large number of merchants participated in this promotion. What is this marketing termed as?

- b. Global Education Management Systems (GEMS) have 30 schools in the UAE under their umbrella. The schools follow a wide range of curricula ranging from the Indian CBSE & ICSE curricula to the International Baccalaureate (IB) and American Curriculum. Our Own English High School offers CBSE curriculum, Cambridge International offers London Board, Wellington School offers IB, Dubai American Academy offers American Curriculum while Dubai Modern High offers ICSE. The fees charged by the schools vary from Dhs.3000 p.a. to 50,000 p.a. depending on the type of curricula offered by the school. What kind of target market selection has the organisation adopted?
- c. A Japanese bicycle manufacturer uses flexible manufacturing to turn out bikes specially fitted to the needs of individual buyers. Customers visit their local bike shop where the shopkeeper measures them on a special frame and faxes the specifications to the factory. At the factory the measurements are fed into a computer which creates blueprints in three minutes that would take a draftsman 60 times that long. The factory is ready to produce any of 11, 231, 862 variations on 18 bicycle models in 199 colour patterns. The price is steep but within two weeks the buyer is riding a one of a kind machine. What is this marketing concept called?
- d. LASIK, an acronym for Laser-assisted In Situ Keratomileusis, is a form of refractive laser eye surgery procedure intended for correcting vision, performed by ophthalmologists at Shantaram Eye Hospital. The procedure is usually a preferred alternative to photorefractive keratectomy, PRK, as it requires less time for full recovery, and the patient experiences less pain overall. This is expensive than any normal eye surgery. What is this marketing called?

Question 7

[0.5 x 3 = 1.5]

Identify the basis of segmentation in the following examples:

- a. Colgate toothpastes have introduced three different types of brands to cater to the various market segments – Colgate Regular for decay prevention, Colgate Flavored for fresh breath, Colgate Total for tartar protection
- b. General Foods have formulated four types of canned food: Cycle 1 for infants upto 3 months, Cycle 2 for babies between 3 months to 1 year, Cycle 3 for children between 1 to 3 years, and Cycle 4 for children above 3 years
- c. Hallmark Cards sells cards not just for birthdays and anniversaries, but also for Father's Day, Mother's Day, and Valentines Day

Question 8

[0.5 x 13 = 6.5]

Match the following

<i>Column A</i>	<i>Column B</i>
1. Jebel Ali Free Zone, Dubai	a. systems contracting.
2. Diffused preferences	b. systems selling
3. Switchers	c. business market features
4. Different products for each segment	d. change product specifications before buying
5. grassroot marketing	e. purchase decision process
6. Accessibility to the segment	f. niche marketing
7. multiple sales call	g. Consumers showing no loyalty to any brand
8. modified rebuy	h. product specification
9. entire requirements of MRO services	i. mass customization with customized marketing
10. Buying Centre	j. consumers who shift loyalty from one brand to another
11. Total solutions to a problem from a seller	k. segment marketing
12. not likely to attract many competitors	l. geographically concentrated buyers
13. Stages in buying process	m. product specialisation
	n. local marketing
	o. effective segmentation

*****GOOD LUCK*****

**BITS – Pilani, Dubai Campus, Knowledge Village, Dubai
II year – Semester II, 2006-2007**

**Component : Test 1 – Closed Book
Date: 25/02/07**

Course: Principles of Marketing for Engineers
Course No: MGTS UC233

Max. Marks: 25 (20%)
Duration: 50 minutes

Name : _____

ID number : _____

Section – A

Answer the questions using marketing concepts: (0.5 x 10 = 5)

1. If a business uses warehouses to stock up goods for the upcoming season, uses air transport for delivery of goods and insures its goods to protect itself from risk of accidents during transportation what is the channel that it is using?
2. Name the environment that helps to produce and distribute market offerings and consists of suppliers, market researchers, ad agencies, banks etc.
3. A property builder divides the market on the basis of geographical location, family size and income. What is he doing?
4. What gets affected when a consumer purchases a Nokia state of the art mobile phone with great expectations but perceives it to be below expectations?
5. If a consumer does e-shopping on the net without ever making a trip to the physically present shop or even meeting the seller what is the market called?
6. A person whose attention the marketer seeks and in whom he tries to stimulate a demand for his products is called what?
7. If a company has built a relationship with its stakeholders such as customer, employees, distributors, suppliers and it is mutually beneficial to both sides, what is it called?
8. The Government of Singapore has identified the Indian subcontinent as its target market to promote tourism. It advertises on Indian television that the month of May has, apart from the usual attractions, several fun filled events making it a lifetime experience for every tourist. What is this combination of place, experience and event promoted by the Government to its target market called?
9. One of the constituents of the customer value triad is quality. What are the other two?
 - a.
 - b.
10. If an organization is granting cash discount to its business market for prompt payment, which aspect of the marketing mix is it focusing on?

Section B

Fill in the blanks with words which are most appropriate: (0.5 x 10 = 5)

11. George has drawn out a will stating a specific orphanage, where he himself was raised, as the sole beneficiary to all his property. He found fulfillment in the fact that the children in the orphanage would immensely benefit from this. This is an example of _____.
12. Panasonic, manufacturers of Plasma television incorporates the latest technology and design in their marketing mix, directly corresponding to _____ among the four Cs.
13. _____ is the task of hiring, training and motivating able employees who want to serve customers well.
14. The baby care market catering to the needs of babies between the ages of 0-3 consists of baby foods, nappies, cosmetics for skincare, soft toys, books on parenting, perambulators and strollers, clothing and accessories, advertisements for nannies and babysitters, second hand used baby items, picture books for storytelling, preschools etc. is a perfect example for _____.
15. A leather shoes manufacturer who has his own tannery for leather production decided to enter the fashion market for leather clothes by tying up with a fashion house in order to achieve advantages of synergy. This is called _____.
16. Citibank is a sponsor of the Terry Fox marathon run in Dubai as a part of its commitment towards raising funds for cancer. This is an example of _____ concept.
17. A firm engaged in creative marketing is called _____.
18. Air France, upon finding majority of Indians boarding their flights from New York, Boston and Chicago to India decided to introduce Indian Food in its menu. It was trying to take care of _____ need of its customers.
19. Transaction is understood as a _____ of values between two parties.
20. Honda introduced a two-wheeler with cover, front panel, front glass, auto gears and many other features that gives the customers almost similar benefits as provided by a four wheeler. This is known as _____ competition between Honda (2 wheelers) and Maruti Suzuki (4 wheelers).

Section C

Tick the right answer from the choice available: (0.75 x 10 = 7.5)

21. What flows from the manufacturer market to the intermediary markets?
- Taxes and goods
 - Goods and services
 - Taxes and services
 - Resources and money
22. While telephones have been around for a very long time, telephone users were handicapped when they were on the move due to their inability to communicate. It took an ingenious company to come up with the idea of making a telephone that would follow us wherever we go, and tap the inherent demand that is present in almost every telephone user. This demand state is known as
- Overfull demand
 - Unwholesome demand
 - Latent demand
 - None of the above
23. Alliance Insurance Company which is in the business of healthcare insurance pays its sales representatives progressive commission rates and provides them extensive customer database. The company firmly believes that aggressive and hardcore selling technique is the key to its achieving its yearly profit targets. Under which of the following orientations towards the marketplace is the company conducting its marketing activities?
- Marketing concept
 - Selling concept
 - Customer concept
 - all of the above
24. Smith, a sales representative of a multinational firm has found a prospective customer in Jones. Which of the following conditions need to be fulfilled in order to constitute a valid exchange?
- Smith has found a prospective customer in Jones
 - Smith offers to accept three monthly installments in return for supply of raw materials
 - Smith asks Jones to let him know in a week's time if he would be interested in formalizing the contract or otherwise
 - All of the above
25. A marketer has to decide on the combination of the 4 Ps in the marketing mix in order to pursue its marketing objectives under
- Relationship marketing
 - Integrated marketing
 - Internal marketing
 - None of the above

26. Which of the following does not fall under 'place' in the marketing mix?
- Arrange for delivery of goods to consumer
 - Ensuring enough inventory is present to cater to customer demand
 - Deciding on the target customer in a market segment
 - Engaging the right channels of distribution
27. A spinning mill procures cotton from farmers who meets its quality specifications through the farmers associations, processes and converts them into yarns of different varieties to cater to the needs of various business buyers, contacts the middlemen for marketing of products, who in turn connect them to various firms in the textile industry. This is called
- Marketing channel
 - Supply chain
 - Service channel
 - Distribution network
28. Charles had a disposable income of Rs.10 lakhs with him. An automobile sales representative, a firm dealing with marketing time-sharing resorts, and a property developer were all competing with each other to get him spend his money on their products and services. This competition is termed as
- Industry competition
 - Generic competition
 - Brand competition
 - Form competition
29. Oman Cement Manufacturing Company caters to all the customer markets, where price is important. But in which of the following markets is price the deciding factor for making a purchase decision?
- Business market
 - Consumer market
 - Government market
 - Global market
30. The marketer must try to provide a product that is superior than its competitors and which can be constantly upgraded further. This explains which concept of marketing?
- Customer concept
 - Marketing concept
 - Product concept
 - Production concept

Section D

Give the demand states in the following situations: (0.5 x 6 = 3)

31. Disposable tableware & cutlery that offer a great deal of convenience for get-togethers, outings etc. and are non-biodegradable
32. 100% occupancy rate in hotels in Kodaikanal during the summer months of May & June, while wearing a deserted look for the rest of the year
33. Compact Disks which are now being replaced by Flash disks
34. Al-Futtaim Motors had customers flocking to buy Prado, Toyota's four wheel drive, that it could not meet demand and had customers waiting for 15 days to take delivery
35. Catering Technology and Hospitality Management did not have many students enrolling with them when they were first introduced in the early 1980s
36. Helmets were not worn by motorcyclists till they were forced to wear them through enactment of traffic laws

Section E

State which of the following statements are true and which are false: (0.5 x 9 = 4.5)

37. For demand to be present it is important to have the desire to buy backed by purchasing power
38. Middlemen who were scared of being put out of business by reintermediation became brick and click companies
39. The product concept holds that customers will favor products that are affordable and made available without much of a fuss
40. Reactive market orientation is focusing on the latent needs of a customer leading to high level innovation
41. One of the changes in marketing management have been companies realizing the importance of building brands through advertising and promotion
42. The customer concept aims at achieving organization goals by communicating superior customer value to its chosen target markets
43. Marketing activities start when the product is just coming out of the factory
44. In the present day markets the focus of selling has shifted to "selling to everyone"
45. The present day marketers motto is to "make and sell"