

Principles of Marketing PYQ 2021

Q1. A luxury hotel was built in Agra which claims that every room of its hotel gives Taj view. As a marketing manager of hotel industry what marketing mix variables would you keep in mind while developing such a unique selling proposition?

Ans. If I were a marketing manager of a luxury hotel in Agra that claims to have Taj view from every room, I would consider the following marketing mix variables:

1. **Product:** The hotel is the product here, and its unique selling proposition is the Taj view from every room. I would ensure that the hotel is designed in a way that maximizes the view of the Taj from every room, and that the rooms are luxurious and comfortable with all the necessary amenities to attract and retain customers.
2. **Price:** As a luxury hotel, the price point should be high, but it should be competitive with other luxury hotels in the area that offer similar amenities and services. We could offer special promotions or packages to attract customers during low season periods.
3. **Place:** The hotel's location is in Agra, near the Taj Mahal, so it is already in a prime location for tourists. I would ensure that the hotel is easily accessible and conveniently located for tourists visiting Agra.
4. **Promotion:** The promotion strategy would focus on highlighting the unique selling proposition of the hotel - the Taj view from every room. We could use social media and online marketing to target tourists interested in visiting the Taj Mahal, as well as other traditional advertising channels like print media and television. We could also offer referral programs to incentivize customers to recommend our hotel to others.
5. **People:** The hotel staff should be friendly, professional, and knowledgeable about the local area and its attractions. They should be able to provide personalized recommendations and excellent service to ensure that customers have a positive experience at the hotel.
6. **Process:** The booking process should be simple and convenient for customers, whether through online booking platforms or via phone or email. The check-in and check-out process should be efficient and hassle-free, and any issues or concerns should be addressed promptly and professionally.

By considering these marketing mix variables and developing a comprehensive marketing strategy, we can effectively promote the unique selling proposition of the hotel and attract customers who are interested in a luxurious stay with a view of the iconic Taj Mahal.

Q 2. The growing concern of customers towards boosting immunity post pandemic inspires a company to introduce immunity booster biscuits and bars. Suggest the appropriate bases of product positioning for introducing this product in the market?

Ans. The introduction of immunity booster biscuits and bars by the company is a response to the growing concern of customers towards boosting their immunity post pandemic. To position this

product effectively in the market, the company should consider the following bases of product positioning:

1. **Benefit-based positioning:** This involves highlighting the benefits of the product, which in this case, is boosting immunity. The company could emphasize the importance of a strong immune system in fighting off illnesses and diseases and position the product as a convenient and tasty way to boost immunity.
2. **Health-based positioning:** This involves positioning the product as a healthy option for customers. The company could emphasize that the biscuits and bars are made with natural ingredients and contain no harmful additives or preservatives.
3. **Convenience-based positioning:** This involves positioning the product as a convenient option for customers who are looking for a quick and easy way to boost their immunity. The company could emphasize that the biscuits and bars are easy to carry around and consume on-the-go, making it easy for customers to stay healthy even when they're busy.
4. **Value-based positioning:** This involves positioning the product as a good value for the price. The company could emphasize that the biscuits and bars provide a cost-effective way to boost immunity, compared to other health supplements or products.
5. **Taste-based positioning:** This involves positioning the product as a tasty option for customers. The company could emphasize that the biscuits and bars have a delicious taste, making it easy and enjoyable for customers to consume them on a daily basis.

By considering these bases of product positioning, the company can effectively position its immunity booster biscuits and bars in the market and attract customers who are interested in boosting their immunity in a convenient and tasty way.

Q 3. Big giants in the television industry like Samsung and LG have come up with OLED, QLED, 8K picture quality technology to enhance the features of the existing product to sustain the market share as most of these products lie in the maturity stage of Product Life Cycle. Discuss the concept and marketing strategies that could be used by the marketer during several stages of product life cycle with the help of suitable diagram.

Ans. The product life cycle (PLC) is a theoretical concept that describes the various stages that a product goes through from its introduction to its eventual decline in the market. There are typically four stages in the PLC: introduction, growth, maturity, and decline. Each stage requires different marketing strategies to maximize sales and profits.

Introduction Stage:

The introduction stage is the first stage in the PLC, where the product is first launched into the market. During this stage, the focus of the marketing efforts is on creating awareness and generating demand for the product. The marketing mix is often skewed towards promotion, with heavy advertising and sales promotion activities to create brand awareness and encourage trial.

Growth Stage:

The growth stage is the second stage of the PLC, where the product begins to gain wider acceptance in the market. During this stage, the focus of the marketing efforts shifts towards differentiation and building brand loyalty. The marketing mix is balanced across all four elements (product, price, promotion, and place), with an emphasis on building distribution channels, increasing product features, and expanding market share.

Maturity Stage:

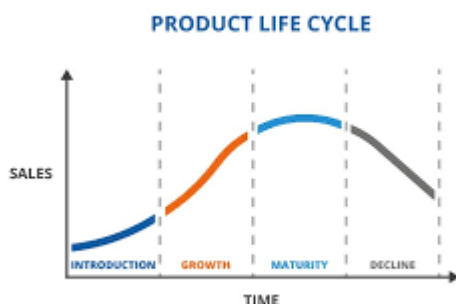
The maturity stage is the third stage of the PLC, where the product has reached its peak sales and profitability. During this stage, the focus of the marketing efforts shifts towards maintaining market share and maximizing profits. The marketing mix is often skewed towards price, with price promotions and discounts used to maintain market share and fend off competition.

Decline Stage:

The decline stage is the fourth and final stage of the PLC, where the product begins to lose market share and profitability. During this stage, the focus of the marketing efforts is on phasing out the product and minimizing losses. The marketing mix is often skewed towards promotion, with heavy advertising and sales promotion activities to liquidate inventory and clear out remaining stock.

In the case of Samsung and LG, they are enhancing their products by incorporating new technologies such as OLED, QLED, and 8K picture quality to sustain their market share. They are primarily focusing on the maturity stage of the PLC, where products are at risk of becoming obsolete. By introducing new features and technologies, they are differentiating their products and creating a competitive advantage. They are also using the marketing mix to support these efforts. For example, they are using heavy advertising to create awareness, increasing the price to reflect the value of the new technology, and expanding distribution channels to make the product widely available.

A suitable diagram to illustrate the product life cycle is as follows:



Product Life Cycle Diagram

In conclusion, to sustain their market share, Samsung and LG are using new technologies and marketing strategies to enhance their products and differentiate them from their competitors. By focusing on the maturity stage of the PLC, they are positioning themselves for continued success in the market.

Q4. The pricing decisions of a firm are subject to a complex array of company, environmental and competitive forces. The pricing structure changes overtime as product move through its life cycles. While setting price for the new product a marketer must decide whether to determine quality or price consideration. Suggest possible pricing strategies available to a company while launching a new product by giving suitable examples.

Ans. When launching a new product, a company has several pricing strategies to choose from, depending on its goals, market competition, and the product's perceived value. Some possible pricing strategies for a new product launch are:

1. Skimming pricing: This involves setting a high price for a new product with unique features, to attract early adopters and maximize profits. For example, when Apple launched the first iPhone, it priced it at a premium level compared to other smartphones in the market.
2. Penetration pricing: This involves setting a low price for a new product to attract a large number of customers and gain market share. The goal is to maximize sales volume and establish a customer base. For example, when Xiaomi entered the Indian smartphone market, it priced its products lower than its competitors to gain a foothold in the market.
3. Competitive pricing: This involves setting prices based on the prices of competitors. The company may price its product slightly lower or higher than competitors based on its unique features and perceived value. For example, when Samsung launched its Galaxy smartphones, it priced them slightly lower than the iPhone to gain a competitive advantage.
4. Bundling pricing: This involves offering a bundle of products or services at a lower price than if they were purchased separately. For example, when Amazon launched its Prime subscription service, it bundled several benefits, such as free shipping and access to streaming services, at a lower price than if each service was purchased separately.
5. Value-based pricing: This involves setting a price based on the perceived value of the product to the customer. The price is set based on the benefits and features of the product, as well as the customer's willingness to pay. For example, when Tesla launched its Model S electric car, it priced it higher than other electric cars in the market based on its advanced features and superior performance.

The choice of pricing strategy will depend on several factors, including the company's goals, competition, and the product's perceived value in the market. It is important for the company to analyze these factors carefully and choose the pricing strategy that aligns with its overall marketing strategy.

Q 5. A company is planning to launch air purifiers to curb the problem of air pollution in Delhi-NCR. If you are appointed as a promotion manager of this leading company, what promotion-mix would you suggest attaining companies' objectives?

Ans. As a promotion manager, I would suggest the following promotion-mix to attain the company's objectives of launching air purifiers to curb air pollution in Delhi-NCR:

1. Advertising: The company should focus on creating brand awareness and educating the consumers about the harmful effects of air pollution. The advertising message should highlight the benefits of using air purifiers and how it can help in improving the air quality in Delhi-NCR. The company can use various advertising channels like TV, radio, newspapers, and online ads to reach a larger audience.
2. Sales Promotion: The company can offer discounts, free trials, and other promotional offers to encourage consumers to try their air purifiers. They can also tie-up with other companies like real estate developers, office buildings, and hospitals to promote their air purifiers to a wider audience.
3. Public Relations: The company can organize events, seminars, and workshops to create awareness about air pollution and how air purifiers can help in curbing it. They can also collaborate with environmentalists and health experts to get their endorsement for the product.
4. Direct Marketing: The company can use email marketing, SMS marketing, and direct mail to target potential customers and inform them about the benefits of their air purifiers. They can also use social media platforms like Facebook, Twitter, and Instagram to reach out to a wider audience and promote their product.
5. Personal Selling: The company can train its sales team to educate customers about the harmful effects of air pollution and how air purifiers can help in improving the air quality. The sales team can also offer personalized solutions to customers based on their specific needs and requirements.

By using a combination of these promotion-mix strategies, the company can effectively reach out to potential customers and create a strong brand presence in the market.

Q 6. In the rural areas, it is sometimes useful to package quantities smaller than those sold in urban markets. You are employed as a marketing manager of a leading FMCG company, which is planning to offer tomato ketchup, shampoo, and oil in small sachets for rural consumers. Suggest the appropriate rural marketing mix strategy for the success of the firm.

Ans. To successfully market products in rural areas, a company must adopt a unique marketing mix strategy. The following are the appropriate rural marketing mix strategies that can be adopted by a leading FMCG company planning to offer tomato ketchup, shampoo, and oil in small sachets for rural consumers:

1. Product: The products should be designed to meet the specific needs of rural consumers. The packaging should be simple, affordable and easy to use. The sachet sizes should be small to cater to the purchasing power of rural consumers.
2. Price: The price of the products should be affordable for rural consumers. The pricing strategy should be based on the purchasing power of rural consumers. The company can use the

psychological pricing strategy by setting the prices of the products just below the nearest round figure, making it seem more affordable.

3. Place: The distribution channels should be designed to reach the remote areas of rural regions. The company can partner with local retailers, cooperatives or NGOs to ensure that the products reach the end consumer. The company can also leverage technology to reach consumers in remote areas, for example, using e-commerce platforms to sell the products.

4. Promotion: The promotion strategy should be tailored to the rural audience. The company can use below-the-line promotion techniques such as word-of-mouth, roadshows, and local events. The company can also use regional languages in their advertising campaigns to connect with rural consumers.

By adopting the above rural marketing mix strategies, the leading FMCG company can successfully market its products in rural areas and reach out to a wider consumer base.

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