International Institute of Health Management Research, New Delhi

Marketing Management

2016-18

Students can refer Institute's module for reference

Time: 3 hours

Total Marks: 70

All questions are compulsory
Case Study -1 (25 marks)
Responding to changing customer requirements: Nestle

Introduction

Consumer research shows that people are looking to adopt healthier lifestyles. Newspapers and television channels have bombard us with health information and messages about the benefits of healthier living. Governments are keen to ensure that people are looking after their health in order to ease the burden on public health services and are also reinforcing these messages. As a result, many people are taking positive steps to lead healthier lives. People are opting for various exercises regime, ways of relaxation and options for a balanced and nutritious diet.

Nestlé is the world's biggest food and beverage company and produces a wide range of products. Many of its best known brands are household names. Nestlé operates through product divisions which include: Food, Water, Beverage, Milk, Cereals, Confectionery, Chilled dairy products etc. Many of the products are familiar to us like:

- Nescafé (coffee)
- KitKat (confectionery)

Henri Nestlé developed the first infant food in 1867 to save the life of a friend's baby who could not be breastfed. Since then, the company has looked to build on a tradition of providing nutritious products. It builds its business around:

- discovering what customers want
- identifying pressures for change e.g. government campaigns, health education initiatives
- responding to changes in the market place

Today, in Lausanne (Switzerland), Nestlé operates the world's largest nutrition based science research unit. Over 600 scientists and food technicians work there developing and improving

products. Nestlé, one of the world's leaders in consumer-led approaches to product development, continually seeks to provide products that meet consumers' changing requirements.

Kindly answer the following:

1. What are the consumer behaviors Nestle should assess to identify present change in consumers need?
2. Elaborate on research approach to evaluate consumers need (as per answer to question one)
3. Suggest one innovative strategy Nestle may adopt under Market development strategy

Case Study -2 (25 marks)

Thums Up and sports - partnership to beat competition

When consumers make a purchasing decision, they consider a range of aspects of the product which make up what is often referred to as 'The product concept.' Products are not just purchased to meet a single need; the ownership and use of a product involves a whole range of factors that make up the product concept. When we examine the 'product concept' of a soft drink, then we need to consider the wider elements which attract consumers. Clearly the key benefits of a soft drink are that it quenches thirst and that it is refreshing. However, there are other 'sensual dimensions' which are equally important and lead us to choose one drink over another. These sensual dimensions include its colour, taste, smell, texture, appearance and the design of the packaging in which it is presented.

In addition, there are other dimensions which are equally important such as the 'image' associated with the product and the 'image' of the company which produces the product. Consumers will prefer those products which have a strong positive image. An important ingredient of this image will be the association that the product evokes. It makes sound marketing sense to build strong brand associations.

Kindly answer the following:

1. With which sporting events in India, Thums Up should associate to enhance its image?

2. Elaborate on selection of promotional tools for a widespread consumer appeal.

3. Can this strategy beat existing competition with Pepsi and Coco Cola? Explain with justifications

Q.3 What is social marketing? Explain product, price, place and promotion concepts of social marketing with an example from healthcare industry? (10 marks)

Q.4 What is familiarity – favorability analysis in promotional strategies? How familiarity – favorability analysis is linked to product life cycle? (10 marks)