

**THE OPEN UNIVERSITY OF SRI LANKA
COMMONWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC
ADMINISTRATION
FINAL EXAMINATION – 2007
MCP 1608 – MARKETING MANAGEMENT
DURATION : THREE (03) HOURS**



Date : 14th January 2007

Time: 1.30 p.m. – 4.30 p.m.

Answer Question 01 OR Question 02 and any three other Questions. Four questions to be answered in all.

01. “Customers want to express their individuality with the products they buy”, states chief designer of Toyota. As a result of the technological advancements the world has experienced, customers are taking more individual interest and initiative in determining what and how to buy. For instance, they log on to the Internet; look up for information and evaluations of products or service offers; dialogue with suppliers, users, and product critics; and make up their own minds about the best offer. The opportunities offered by the new technologies promise to turn marketing from “a broadcast medium to a dialogue medium”. In this context, the importance of the application of marketing principles such as market segmentation and positioning has increased today than ever before.

Considering the Sri Lankan market for the following product categories, choose a specific product. Name and identify a) the brand, b) the manufacturer and c) the market segment and d) positioning strategy for each.

- 1) Facial tissue,
- 2) Toothpaste,
- 3) Toilet soap,
- 4) Laptop computers.

In each case, why do you think the manufacturer would choose to target this particular segment?

How is each product’s segmentation strategy obvious from its’ packaging or promotion?

(40 marks)

OR

02. “Some unscrupulous middlemen in almost every part of the vegetable growing areas of Sri Lanka, both in the up country and in the dry zone, have put the poor farmers out of the frying pan into the fire which ultimately reinforces the chains of the vicious circle the farmer is involved in” says the Ministry of Agriculture.

Who or what has dragged the helpless farmer into this tight corner? Though all these issues seem to be relevant in this context, the crux of the problem goes beyond that.

The Mudalali being in the centre of this drama maneuvers his way by making his customers pay through the nose for the items he sells; by being seemingly doing good for them when they are in difficulty. It is this Mudalali who lends money to them when they are in difficulty, provides provisions for them on account during the off season, hires his tractor only for its hire to be collected with interest during the harvesting season, supplies insecticides, pesticides and manure when they are unable to buy them and even takes their lands on mortgage and on lease in no time. This cruel practice of the Mudalali has made his customers go round in his orbit. When the harvesting season dawns the farmer's labour and sweat turn into tears and sighs.

It is characteristic of the people in this area not to be careful of the current prices of the goods put into the market, simply because of their ignorance. Should the traders be allowed to exploit this situation at the expense of the farmer? And on whose shoulders should the responsibility be placed for educating the people about the market?

With a new vision taking its wings to alleviate poverty of the people the Politicians say that it is high time we took appropriate measures to get the poor farmer out of the clutches of the Mudalali. The vegetable farmer not getting a reasonable price for his produce has become a major issue especially during election times.

a) What are the myths (related to marketing) embodied in this case? Why do you call them myths? Explain. (20 marks)

b) Do marketing intermediaries perform functions useful for the society? What are those? Explain. What 'usefulness' do they create? Explain them in a conceptual model along with examples. (20 marks)

03. You give some of your money in exchange for a loaf of bread, a taxicab ride, or a haircut. You, as a student exchange your course work for a grade. So, it is clear that the product is the fundamental ingredient in the exchange.

a) What is a product? (4 marks)

b) Briefly discuss the different levels that make up a product (8 marks)

- c) Detail as much as you can how the different levels of a product can be applied to a firm selling motor vehicles. (8 marks)
(20 marks)
04. Prices go by many names - fare, rent dues, interest, premium, honorarium etc. But all these names add up to one thing i.e. what one must give up in order to obtain goods/services.
- a) Briefly discuss the different approaches to pricing for new products (6 marks)
- b) Highlight the key factors that firms need to take into account when setting the price of their products and services (6 marks)
- c) Use an industry of your choice to show how the key factors that influence pricing levels need to be taken into account when setting prices (8 marks)
(20 marks)
05. Consumers' behaviour is guided by their perceptions of reality. Their interpretation of what they sense shapes their behaviour. Therefore, markets compete for consumer's attention by presenting various sensations that will allow them to arrive at a certain conclusion about a product or brand: "Lux" is soft, "Dove" is for dry skin, "Crest" fights cavities.
- a) What is positioning? (6 marks)
- b) Briefly discuss the different approaches to positioning (7 marks)
- c) Provide relevant examples to show how marketers have used the different approaches to positioning to position their product in the market place (7 marks)
(20 marks)
06. Today the scope of marketing research is widening as research techniques improve and marketers and their organization become more confident in the dependability of the result.
- a) Give some of the specific reasons why firms need to conduct market research (8 marks)
- b) Briefly explain the different methods of contacting potential respondents when collecting data in a research project (6 marks)
- c) Discuss the ways that marketers could increase the participation rates of respondents when collecting data in research projects. (6 marks)
(20 marks)

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