



MACHAKOS UNIVERSITY

University Examinations for 2020/2021 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

APRIL SESSION EXAMINATION FOR

BACHELOR OF EDUCATION

BBA 201: PRINCIPLES OF MARKETING

DATE: 20/7/2021

TIME: 11.00-1.00 PM

INSTRUCTIONS:

Answer question one and any other two questions.

QUESTION ONE (COMPULSORY) (30 MARKS)

HALDIRAM'S GROUP - SEEKING THE 'RIGHT' MARKETING MIX

Haldiram's offered a wide range of products to its customers. The product range included namkeens, sweets, sharbats, bakery items, dairy products, papad and ice-creams. However, namkeens remained the main focus area for the group contributing close to 60% of its total revenues. By specializing in the manufacturing of namkeens, the company seemed to have created a niche market.

Haldiram's sought to customize its products to suit the tastes and preferences of customers from different parts of India. It launched products, which catered to the tastes of people belonging to specific regions. For example, it launched 'Murukkus,' a South Indian snack, and 'Chennai Mixture' for south Indian customers.

Similarly, Haldiram's launched 'Bhelpuri,' keeping in mind customers residing in western India. The company offered certain products such as 'Nazarana,' 'Panchratan,' and 'Premium' only during the festival season in gift packs. These measures helped Haldiram's compete effectively in a market that was flooded with a variety of snack items in different shapes, sizes and flavors.

Haldiram's offered its products at competitive prices in order to penetrate the huge unorganized market of namkeens and sweets. The company's pricing strategy took into consideration the price conscious nature of consumers in India.

Haldiram's developed a strong distribution network to ensure the widest possible reach for its products in India as well as overseas. From the manufacturing unit, the company's finished goods were passed on to carrying and forwarding (C&F) agents. C&F agents passed on the products to

distributors, who shipped them to retail outlets. While the Delhi unit of Haldiram's had 25 C&F agents and 700 distributors in India, the Nagpur unit had 25 C&F agents and 375 distributors.

Haldiram's also had 35 sole distributors in the international market. The Delhi and Nagpur units together catered to 0.6 million retail outlets in India.

Apart from the exclusive showrooms owned by Haldiram's, the company offered its products through retail outlets such as supermarkets, sweet shops, provision stores, bakeries and ice cream parlors.

Advertisements depicting the entire range of Haldiram's sweets and namkeens were published in the print media (magazines and newspapers). These advertisements had captions such as 'millions of tongues can't go wrong,' 'What are you waiting for, Diwali?' and 'Keeping your taste buds on their toes.'

For those customers who wanted to know more about Haldiram's products, special brochures were designed which described the products and gave information about the ingredients used to make it. Mailers were also sent to loyal customers and important corporate clients as a token of appreciation for their patronage. Packaging was an important aspect of Haldiram's product promotion.

Since namkeens were impulse purchase items, attractive packaging in different colors influenced purchases. Haldiram's used the latest technology (food items were packed in nitrogen filled pouches) to increase the shelf life of its products.

The showrooms and retail outlets of Haldiram's gave importance to point of purchase (POP) displays. Haldiram's snacks were displayed on special racks, usually outside retail outlets.

Questions

- a) Haldiram's Group capitalized on two variables for segmenting its market. Identify these variables from the case and explain how they were used. (4 marks)
- b) Evaluate the target market of Haldiram's Group. (4 marks)
- c) Describe the distribution strategy of Haldiram's Group. (4 marks)
- d) Explain any two advertising media types used by Haldiram's Group (4 marks)
- e) Analyze the pricing strategy of the company (4 marks)
- f) Haldiram's Group developed a very strong distribution channel. Discuss any five functions that were undertaken by the channel members in line with the case study. (10 marks)

QUESTION TWO (20 MARKS)

- a) The marketing director of XYZ Company approaches you to scan the environment of the company and submit a written report of your findings. Discuss the contents of your report with regards to the controllable variables. (10 marks)
- b) Discuss five arguments for market segmentation (10 marks)

QUESTION THREE (20 MARKS)

- a) Briefly explain four positioning strategies that can be used by a marketing organization. (4 marks)
- b) Discuss four criteria that a good research report should satisfy (8 marks)
- c) Products usually go through some stages in their life cycle. Evaluate these stages (8 marks)

QUESTION FOUR (20 MARKS)

- a) You have won a 15M Jackpot and you contemplate buying a house. Analyze the process you would go through before you acquire a house of your choice. (10 marks)
- b) Explain the marketing philosophies that govern operations of marketing activities in organizations (10 marks)

QUESTION FIVE (20 MARKS)

- a) Product planners need to think about products and services on five levels. Explain each of the five levels. (10 marks)
- b) Services possess characteristics that highly distinguish them from goods. Describe these characteristics (10 marks)