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Register Number:

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**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**UG – IV SEMESTER**

**SEMESTER EXAMINATION: APRIL 2017**

**BC 4315 : Marketing Management**

Time- 1 ½ hrs Max Marks-35

**This paper contains two printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**1 x 5 = 5 marks)**

1. Give two points of difference between a physical product and a service
2. What strategy can be adopted to market non durables?
3. With the help of an example bring out the importance of branding
4. What is supply chain management?
5. Give the meaning of retailing
6. How are consumer markets different from business markets?
7. Name two pricing methods

**Section B**

**II.** Answer ***any one*** of the following (**5 x 1 = 5 marks)**

1. Write a short note on pricing objectives
2. Identify the current product life cycle stage of landline phones. What are the key features of this stage?

**Section C**

**III.** Answer ***any one*** of the following (**10 x 1 = 10 marks)**

1. In 2014, Bisleri launched Urzza, a caffine free energy drink fortified with essential vitamins. Even though the product was strategically launched just before the onset of Indian summer, the product failed to take off. You are required to come up with promotional strategies to relaunch Urzaa in 2017.
2. What comprises the macro marketing environment? Answer with reference to *Westside* clothing store run by TATA in India.

**BC-4315-A-17**

**Section D**

**III. Compulsory Question (15marks)**

**The Ultimate Driving Machine**

BMW is the ultimate driving machine. Manufctured by the Greman company Bayerische Motoren Werke AG, BMW stands for both performance and luxury. The company was founded in 1916 as an aircraft manufacturer and produced engines during World Wars I and II. By the mid 20th century, BMW evolved into a motorcycle and automobile maker.

BMW’s growth exploded in the 1980’s and 1990’s, when it successfully targeted the growing market of baby boomers and professional yuppies who put work first and wanted a car that spoke of their success. BMW gave them sporty sedans with exceptional performance and a brand that stood for prestige and achievement. The cars which came in a 3,5 or 7 Series were basically the same design in three sizes.

At the turn of the century, consumers’ attitudes toward cars changed. Research showed that they cared less about the bragging rights of the BMW brand and instead desired a variety of design, size, price and style choices. As a result, the company took several steps to grow its product line by targeting specific market segments.

BMW created the lower-priced 1 Series and X1 SUV to target the “modern mainstream”, a group who are also family focused and active but previously avoided BMW because of their premium cost. The 1 Series reached this group with its lower price point, sporty design and luxury brand. The X1 and X3 also hit home with a smaller, less expensive SUV design.

The redesign of the 7 Series, BMW’s most luxurious car, targeted a group called “ upper conservatives.” These wealthy, traditional consumers don’t usually like sportier cars and so BMW added more electronic components all controlled by a point-and-click system called iDrive. These enhancements added comfort and luxury.

BMW successfully launched the X Series by targeting “upper liberals” who had achieved success in the 1990’s and gone on to have childern and take up extracurricular activities such as biking, golf and sking. These consumers needed abigger car for their active lifestyes and growing families, so BMW created high performance luxury SUVs.

BMW introduced convertibles and roadsters to target “post moderns,” a high income group that continues to attract attention with more showy flamboyant cars. The 6 Series is a flashier version of the high-end 7 Series also targeted this group.

The company uses a wide range of advertisement tactics to reach each of its target markets. However the company’s US tagline, “The Ultimate Driving Machine”, has remained consistent since it first launched there in 1974. BMW continues to research, innovate and reach out to specific segment groups year after year.

1. Explain the segmenting strategies of BMW.
2. How does BMW target each segment?
3. Explain the positioningstrategy of BMW.

**(6+6+3)**

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