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M.B.A. (Part - I) (Semester - II) (CBCS) (New) Examination, May - 2015
MARKETING MANAGEMENT (Paper - IX)
Sub. Code : 57112

Day and Date : Friday, 22 - 05 - 2015

Total Marks : 80

Time : 11.00 a.m. to 02.00 p.m.

- Instructions :
- 1) Q. No. 1 & Q. No. 5 are compulsory.
 - 2) Attempt any two from remaining Questions.
 - 3) Figures to the right indicate full marks.

Q1) Read the case and answer the questions given below the case. [20]

Toll manufacturing company made and sold sterling silver since the company's founding in 1958. Silver business has long been aristocratic. It emphasized design and craftsmanship and aimed its product at the wealthy patrons of exclusive stores.

In 1988, Toll acquired a relatively obscure Leonard Silver Company. Leonard Florence, the self-made founder of Leonard Silver, quickly ascended to the chairmanship of Toll. Toll's solid financial position allowed Mr. Florence to borrow for the acquisitions that have changed it from merely a silver manufacturer to a giftware concerns selling china, crystal, cutlery and silk flowers. With diversification came spectacular growth. The sales turnover in the next three years was expected to rise at the rate of 20%.

➤ **STRATEGY**

Mr. Florence firmly believed that middle class housewives want to live like rich, well-to-do wives. With this conviction, Mr. Florence began mass merchandising of silver to general public. As silver prices began to climb precipitously, competitors found themselves selling luxury goods to a privileged group whose members were thinning at an alarming rate. Meanwhile, Toll, with its inexpensive silverware, was making steady inroads into mass markets.

Today, Toll is the acknowledged leader in sterling sales. It has near monopoly in the market for silver-plated dishes known as hollow ware. Selling of silver-plated flatware at affordable prices to general population was the key to Toll's success. Competitors constantly claim that Toll's products are shoddy-the plating on the hollow-ware is thin. and the polishing and welding crude. Competitive products could stand up to 100 years of polishing and wear and tear.

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However, general public desiring to enjoy silverware is not interested in a 100-year life. If they can afford it and use it for a few years that is all they can care for. So Toll's sales kept on growing.

Toll also used a policy of deep discounting of sterling silver. Before acquisition of Leonard's silver, an advertisement of Toll's silverware emphasized intricate workmanship and long history of Irish design. Recent advertisements offered silver at a 30 percent suggested discount with a free microwave oven with a purchase of an entire set of silverware. The rest of the industry decried the practice but grudgingly followed Toll's footsteps.

- a) Toll's marketing strategy of bringing expensive silverware to affordable prices and selling to mass markets paid off handsome dividends. It was more a ploy on people's psychology. What is your opinion and evaluation?
- b) Tolls used deep discounting. Do you agree with such practice?

Q2) a) Customer is the king. Explain the statement with reference to the modern concept of marketing. **[10]**

b) Discuss the geographic & demographic bases of market segmentation. **[10]**

Q3) a) Discuss the natural & technological marketing environment. **[10]**

b) What is consumer buying behaviour? Explain in detail consumer buying decision process. **[10]**

Q4) a) What are the objectives & methods of pricing a product. **[10]**

b) What is promotion mix? Discuss the elements of promotion mix. **[10]**

Q5) Write short notes (ANY FOUR) : **[20]**

- a) Scope of Marketing.
- b) Stages In Product Life Cycle.
- c) Product Positioning.
- d) Importance of Pricing.
- e) Advantages of packaging.
- f) Personal selling.

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