

**K.J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES & RESEARCH**

**MMM – II SEM.(2017-20 BATCH)**  
**SUB: MARKETING MANAGEMENT-II**  
**(End Term Exam.)**

**Max. Marks: 50**

**Time: 3 Hrs.**

**11/4/2018**

Note: Question No 1 is compulsory; attempt any 3 from the remaining.

Total Marks- 50, Q1 carries 20 marks, rest all the questions carry equal marks.

**Q1. Case Study: 20 Marks**

Founded by Jeff Bezos in 1995, Amazon.com started as the world's largest bookstore and ironically, owned no books. Bezos promised to revolutionize retailing, however, and over the years he has blazed a trail of e-commerce innovations that he has blazed a trail of e-commerce and innovations that many executives have studied and companies have followed.

Amazon initially set out to create personalized storefronts for each customer by providing more useful information and more choices than found in a neighborhood bookstore. Readers could review books and evaluate them on a one-to-five star rating scale, while fellow browsers could rate the reviews for helpfulness. The company's personal recommendation service aggregated buying –pattern data to infer who might like which book. Amazon also introduced its revolutionary one-click shopping, which allowed buyers to make purchases effortlessly with a single click.

Amazon started to diversify its product line in the late 1990s, first with DVDs and videos and then with consumer electronics, games, toys, software, videos games, and gifts. The company continued to expand its product offerings and in 2007 launched Amazon Video On Demand, allowing consumers to rent or purchase films and television shows to watch on their computers and televisions. Later that year, it introduced Amazon MP3, which competed directly with Apple's iTunes and had participation from all the major music labels.

Amazon's most successful product launch was the Kindle, its branded electronic book reader that delivered hundreds of thousands of books, magazines, blogs, and newspaper in a matter of seconds. As thin as a magazine and light as a paperback, the device has been the company's best-selling product since 2009. Today, you can find virtually anything you want on Amazon.com. The company has successfully established itself as the biggest online retailer in the world by enabling merchants of all kinds to sell items on the site.

In addition to its core business, Amazon.com runs as 'Associates' program that allows independent sellers and businesses to receive commissions for referring customers to the state in a variety of ways, including direct links and banner ads as well as Amazon Widget, mini-applications that feature the company's wide selection of products. Associates can create an Amazon- operated online store easily, with low risk and no additional cost or programming knowledge. Fulfillment by Amazon (FBA) takes care of picking, packaging, and stripping the merchant's product to its customers.

One consistent key to Amazon's success is its willingness to invest in the latest technology to make shopping easier, faster and more personally rewarding for the customers and third party merchant. For a \$99 annual fee, Amazon Prime provides unlimited fees express shipping for millions of items. While free shipping and price cuts are unpopular with investors, Bezos believes they build customers satisfaction, loyalty and frequency of purchase order.

In 2013, Amazon.com announced a partnership with the US Postal Service to begin delivering orders on Sundays. Bezos also predicted on 60 minute that the company may use drones in the near future to make same-day delivery of lightweight products within short distances of distribution warehouses.

Amazon has also maintained competitive and low prices throughout its product expansion. The company understands how important it is to keep its prices low in order to drive the volume it needs to remain a market leader and expand geographically. Amazon's practice of selling books at heavily discounted prices, however, has upset some of its channel partners in publishing, as have its attempts to become a publisher in own right.

From the beginning, Bezos has said that even though he started an online bookstore, he eventually wanted to sell everything to everyone through Amazon.com. The company continues to invest significantly in technology, is focused on the long term, and had successfully positioned itself as a technology company with wide range of Amazon Web Services. The growing collection of infrastructure applications meets the retailing needs of companies of virtually all sized. Amazon has successfully reinvented itself time again and created a critical channel for merchants around the world who are able to reach more than 244 million customers worldwide.

Case Questions- (write to the point)

- A. Why has Amazon succeeded online when so many other companies have failed?
- B. Will the Kindle revolutionize the book industry? Why or why not?
- C. What's next for Amazon? Where else can it grow?

**Q2. Design an IMC plan for (ANY ONE) of the following.**

- A. Adventure Tours.
- B. Kho-Kho league of India.
- C. Portable Solar Panels
- D. Electric Cars.

**Q3. Answer the following (ANY ONE):**

- A. Dell captured a large share of the low end printers market within few months of its launch. This was achieved by slashing prices. What should HP, a market leader in the printer segment do in response to such price changes?
- B. Take a recent example of a passenger car firm, which, according to you, has resorted to "pricing to capture value". Explain the features/benefits/price tag of that car and justify your choice.
- C. Biocon is launching a new Cancer drug in the Market. Should Biocon adopt Skimming Pricing Strategy or Market Penetration Pricing strategy? State the advantages and disadvantages in the both the approaches.

**Q4. Discuss the Strategies to reach and service the Bottom of the Pyramid.**

**Q5. Explain the Service-Quality Model in detail with the help of an example**

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