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POSTGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF MASTER OF BUSINESS ADMINISTRATION/ MASTER OF MANAGEMENT AND LEADERSHIP

MBA 502/MKT 508 : **MARKETING MANAGEMENT**

DATE: **5TH DECEMBER, 2023**

DURATION: 3 HOURS

MAXIMUM MARKS: 60

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **FOUR** questions.
4. Question **ONE** is compulsory.
5. Answer any other **TWO** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **15 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

DOMINO

Domino in India was synonymous only a bready dough base slathered with some ketchup. Since 1996, there was a proliferation of 'high-priced branded' pizzas in the market, with the entry of international pizza chains.

Domino's and Pizza Hut, the two big US fast food chains entered India in 1996. Each claimed it had the original recipe as the Italians first wrote it and was trying desperately to create brand loyalty. Domino's and Pizza Hut - tried to grab as large a slice of the pizza pie as possible.

While Pizza Hut relied on its USP of "dining experience", Domino's USP was a 30-minute delivery frame. To penetrate the market, both the players redefined their recipes to suit the Indian tastes. Domino's went a step ahead by differentiating regions and applying the taste-factor accordingly. Domino's also made ordering simpler through a single toll-free number throughout the country. Domino's and Pizza Hut expanded their market ever since they entered India. Domino's had grown from one outlet in 1996, to 101 outlets in April 2001. Pizza Hut too, which began with just a single outlet in 1996 had 19 outlets in 2001.

Domino's entered India in 1996 through a franchise agreement with Vam Bhartia Corp.The first outlet was opened in Delhi. With the overwhelming success of the first outlet, the company opened another outlet in Delhi. By 2000, Domino's had a presence in all the major cities and towns in India. Pizza Hut entered India in June 1996 with its first outlet in Delhi.

Initially, the company operated company-owned outlets. However, keeping in line with its worldwide policy where Pizza Hut was gradually making a shift from company-owned restaurants to franchisee owned restaurants, Pizza Hut made the shift in India too. Pizza Hut had four company-owned franchisees - Universal Restaurants Pvt. Ltd. (Delhi, Uttar Pradesh and Rajasthan), Specialty Restaurants Pvt. Ltd. (Punjab), Dolsel Corporation (Gujarat, Karnataka and Andhra Pradesh), Pizzeria Fast Food Pvt. Ltd. (Pune and Tamilnadu) and Wybridge Holdings (Mumbai).

When Domino's entered the Indian market, the concept of home delivery was still in its nascent stages. It existed only in some major cities and was restricted to delivery by the friendly neighborhood fast food outlets. Eating out at 'branded' restaurants was more prevalent. To penetrate the Indian market, Domino's introduced an integrated home delivery system from a network of company outlets within 30 minutes of the order being placed.

However, Domino's was not the trendsetter so far as home delivery was concerned. Delhi based fast food chain, Nirula's was the first to start free home delivery in 1994. But where Domino's stole the market was its efficient delivery record. Goutham

Advani (Advani), Chief of Marketing, Domino's Pizza India, said, "What really worked its way into the Indian mind set was the promised thirty minute delivery." Domino's also offered compensation: Rs.30/- off the price tag, if there was a delay in delivery. For the first 4 years in India, Domino's concentrated on its 'Delivery' act.

For its delivery promise to work, Domino's followed a 11-minute schedule: one minute for taking down the order, one minute for Pizza-making, six minutes oven-time, and three minutes for packing, sealing and exit. Pizza Hut, on the other hand, laid more emphasis on its "restaurant dining experience." It positioned itself as a family restaurant and also concentrated on wooing kids. Its delivery service was not time-bound.

A company official said, "The Pizza making process takes about 20 minutes and since we don't usually deliver to places which are beyond the reachable-in-half-an-hour distance, customers can expect home delivery within 45 minutes." Moreover, analysts felt that Pizza was something that just was not meant to be delivered. Said Vivek Sure, Projects Manager, Pizza PizzaExpress, "If you don't eat pizza fresh, it turns cold and soggy." However, Domino's seemed to have overcome this problem through its delivery pack called 'Domino's Heatwave.

Since its entry into India, Domino's introduced nine new toppings for Pizzas to cater to the local tastes. Different flavors were introduced in different parts of India. Advani said, "The Indian palate is very definitive - people are extremely finicky and choosy, not too willing to experiment. Food tastes vary from region to region. To capture the market, we had to localize flavors." Thus, Deluxe Chicken with Mustard Sauce' and Sardines were confined to the East, Mutton Ghongura and Chicken Chettinad to the South and Chicken Pudina to Mumbai. Butter chicken, Makhani Paneer and the Chatpata Chana Masala were confined to the North.

Very soon, Pizza Hut followed Domino's and offered customized Spicy Paneer and Chicken Tikka toppings. Apart from this, it also opened a 100% vegetarian restaurant at Ahmedabad, a one-of-its-kind worldwide. The restaurant also offered a special Jain menu, which did not have a single root-based ingredient to fit in with the food habits of Jains. Another city-specific adaptation of its menu by Pizza Hut was the restaurant in Hyderabad, (Andhra Pradesh) which offered Halal meat and chicken only with no beef and pork products in the menu.

Domino's sold a 12" Pizza for Rs 265. (Refer Table III for price range). Commented Pankaj Batra (Batra), Manager (Marketing), Tricon International said, "Indians are value-, not price-sensitive. We need to offer comeback value to our customer." The high price was attributed to the high quality of ingredients used. For instance, Domino's sourced its Peperoni and Jalapeno needs from Australia and Spain respectively.

However, with competition increasing from Pizza Hut, Domino's introduced price cuts, discounts and freebies to attract the customers. In 1998, Domino's introduced

the Pizza Mania scheme where it offered a large pizza for Rs.129/-. The demand was overwhelming and the company sold close to 5000 pizzas in the first week of its launch. During late 1998, both Domino's and Pizza Hut were trying to lure the customers with discount coupons by issuing such coupons through several schemes. Said an analyst, "Even then, the prices are too high.
Source: domino website

Required:

a. In your own opinion from the case, which marketing philosophies is being used by the two firms? **(9 marks)**

b. Using the case study explain two advantages of any of the two approaches` **(5marks)**

c. From the case study and giving reasons, recommend the distribution strategies for the firm **(6marks)**

d. Assess how economic environment can influence the company **(4 marks)**

e. Examine three ways the company can benefit from marketing research for their products **(6 marks)**

QUESTION 2

a. Examine five disadvantages of an advertising as a tool of promotion **(5marks)**

b. Examine four importance of marketing segmentation **(10marks)**

QUESTION 3

a. Using relevant examples, discuss thee major types marketing intermediaries **(7marks)**

b. Compare and contrast marketing information system (MIS) and a marketing intelligence system **(8marks)**

QUESTION 4

(i) Examine four differentiation strategies a marketing firm can adopt in order to obtain a competitive advantage **(10Marks)**

(ii) Highlight four significant benefits of pricing in marketing management **(5marks)**