

EASTERN UNIVERSITY, SRI LANKA

Faculty of Commerce and Management

**Final Year/First Semester Examination in Bachelor of Business Administration
(Specialization in Marketing Management) – 2012/2013 (February/March 2015)**

(Proper)

MKT 4053 Product and Brand Management

Answer all five (5) questions

Time: 03 hours

1) "Smile" is a reputed brand in Sri Lanka producing and distributing electrical equipments. They are highly popular among many housewives especially for quality kitchen appliances. The Company recognized some of the developing possibilities including favourable technological trends which should be adopted by them to attract consumers and grab the impending opportunities available in the market. The "Smile" always believe that the new products are the lifeblood of their company. As old products mature and fade away the "Smile" always try to develop new ones to take their place and recently decided to introduce series of new electrical equipments with environmentally friendly and energy saving characteristics.

- i. Describe how could the "Smile" company use the concept of "customer value hierarchy" when improving its products. Explain the need of augmenting the product than just satisfying the customer expectations. (04 Marks)
- ii. Explain why product upgrading is essential for "Smile". Justify your answer with practical examples. (04 Marks)
- iii. How could the "Smile" bridge the strategic gap with its innovations? Explain. (04 Marks)
- iv. Explain the causes for new product failures and suggest strategies to overcome them. (04 Marks)
- v. "Understanding the customer, market and competitor is essential to be a successful new product". Justify this statement. (04 Marks)

(Total 20 Marks)

Q2) i. Virgin Sri Lanka is the number one multinational player in the Sri Lankan market. They have four (04) product lines namely food and beverages, home care, personal care, and electrical equipments. Virgin has five (05) food and beverages brands, five (05) personal care brands, four (04) personal care brands and two (02) electrical equipment brands. Virgin has three (03) variety of sizes from Virgin's tooth paste and two (02) variety of flavors and three (03) variety of sizes of their tea.

a. Draw the product mix of Virgin Sri Lanka explaining width, length, and consistency of the product mix.

b. One soap brand of Virgin Sri Lanka is in the maturity stage of its product life cycle. Explain three (03) strategies that soap brand can follow to maximize profit and defend the market share.

ii. Explain the types of product line decisions that a company can perform in order to maintain a successful product line.

iii. "A good way for a company to expand its business is by adding to its existing product line. This is because people are more likely to purchase products from brands with which they are already familiar". Explain this statement with successful line extensions as examples.

(Total 20)

Q3) i. "Branding plays a significant role in the present marketing context". Do you agree with this statement? Justify your answer.

ii. "It is believed that brand management has been more complex and difficult today than in the past. Explain.

iii. What do you mean by the concept “Brand Equity”? Briefly explain the four steps of brand building. (Marks 06)

iv. Some critics vigorously denounce the practice of brand extensions, as they feel that too often companies lose focus and consumer become confused. Other experts maintain that brand extensions are a critical growth strategy and source of revenue for the firm”. Elaborate this statement highlighting advantages and disadvantages of brand extension strategy with examples. (Marks 06)

(Total 20 Marks)

Q4) i. Venus Holdings PLC is a well-known personal care and cosmetic manufacturer operating in Sri Lanka. At present Venus Holdings is offering different brands of beauty soaps, shampoo, body wash, deodorant, face wash, cream, and some other cosmetic brands under their product portfolio. As there is no any herbal or ayurvedic based product in the mix, these days Venus is in a process of planning to offer new herbal beauty soap brand to the Sri Lankan market. As the brand manager to be appointed for the new herbal beauty soap brand, write a report to the Marketing Manager of Venus, suggesting a suitable positioning strategy for the new brand including following areas.

- a) Potential target market/s for new herbal beauty soap brand
- b) Main competitors for new herbal beauty soap brand
- c) Points of parity of new herbal beauty soap brand
- d) Points of difference of new herbal beauty soap brand
- e) How you are going to position new herbal beauty soap brand in the Sri Lankan market

(Marks 12)

ii. Discuss the role of “brand elements” by identifying different brand elements with suitable examples. (Marks 08)

(Total 20 Marks)

- Q5) i. Briefly explain the difference between “permission marketing” and “interruption ma
(03)
- ii. “Product, pricing, and channel strategies are having a significant impact on building
equity”. Elaborate on this statement. (06)
- iii. “The ability of marketing communications to build brand equity is enormous when co
with other elements of the marketing mix”. Do you agree with this argument? Jus
answer. (05)
- iv. Briefly explain following brand association techniques with appropriate examples.
a) Country of origin
b) Ingredient branding
c) Celebrity endorsement (06)

(Total 20)