**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**PGDM**

**FIRST TRIMESTER (Batch 2019-21)**

**END TERM EXAMINATION, SEPTEMBER-2019**

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| Course Name | **Fundamentals of Marketing** | Course Code | **MKT-101** |
| Max. Time | **2 hours** | Max. Marks | **40** |

**Questions.1**: “Sustainability has become a hot topic and has moved from Board Rooms to Dining rooms as well” Comment and also suggest some measures which can be used by firms to make their operations more sustainable? (**5 Marks)**

**Questions.2 “**Consumers want utility and are not interested in product or its attribute”, “Marketers should not fall into trap of Marketing Myopia”. Assess the relevance of these 2 quotes for marketing success in current times? Substantiate your claims with suitable examples (**5 Marks)**

**Questions.3** : The following pieces of information relate to some changes happening in Indian environment.

* Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India’s consumer market would be primarily driven by a favorable population composition and increasing disposable incomes.
* Per capita GDP of India is expected to reach US$ 3,273.85 in 2023 from US$ 1,983 in 2012. The maximum consumer spending is likely to occur in food, housing, consumer durables, and transport and communication sectors.
* The growing purchasing power and rising influence of the social media have enabled Indian consumers to splurge on good things. Import of electronic goods reached US$ 53 billion in FY18.
* Indian appliance and consumer electronics (ACE) market reached Rs 2.05 trillion (US$ 31.48 billion) in 2017. India is one of the largest growing electronics market in the world. Indian electronics market is expected to grow at 41 per cent CAGR between 2017-20 to reach US$ 400 billion.
* As of FY18, washing machine,  refrigerator and air conditioner market in India were estimated around Rs 7,000 crore (US$ 1.09 billion), Rs 19,500 crore (US$ 3.03 billion)  and Rs 20,000 crore (US$ 3.1 billion), respectively.
* India’s smartphone market in 2018 grew by 14.5 per cent with a shipment of 142.3 million units. India is expected to have 829 million smartphone users by 2022.
* India is now the world’s second largest mobile phone manufacturer with presence of 120 factories as of July 2018.
* In July 2018, Samsung announced an investment of Rs 5,000 crore (US$ 745.82 million) for expansion of manufacturing capacity to 120 million from 68 million devices at its Noida plant in India.
* Intex Technologies will invest around Rs 60 crore (US$ 9.27 million) in 2018 in technology software and Internet of Things (IoT) startups in India in order to create an ecosystem for its consumer appliances and mobile devices.
* Micromax plans to invest US$ 89.25 million by 2020 for transforming itself into a consumer electronics company.
* Haier announced an investment of Rs 3,000 crore (US$ 415.80 million) as it aims a two fold increase in its revenue by 2020.
* National Policy on Electronics Policy was passed by the Ministry of Electronics & Information Technology in February 2019.
* A new Consumer Protection Bill has been approved by the Union Cabinet, Government of India that will make the existing laws more effective with a broader scope.
* The mobile phone industry in India expects that the Government of India's boost to production of battery chargers will result in setting up of 365 factories, thereby generating 800,000 jobs by 2025.
* The Union Cabinet has approved incentives up to Rs 10,000 crore (US$ 1.47 billion) for investors by amending the M-SIPS scheme, in order to further incentivize investments in electronics sector, create employment opportunities and reduce dependence on imports by 2020.
* The Government of India has allowed 100 per cent Foreign Direct Investment (FDI) under the automatic route in Electronics Systems Design & Manufacturing sector. FDI into single brand retail has been increased from 51 per cent to 100 per cent; the government is planning to hike FDI limit in multi-brand retail to 51 per cent.

Based on the information provided above:

* 1. Analyze the above information and comment on various macro-economic factors which have been covered. Also discuss how these factors will affect the consumption in India. **(12 Marks)**
  2. Analyze the above information and enlist types of firms/sectors which will be benefitted by the same. Also suggest some measures about how these firms can take leverage from these developments? **(12 Marks)**
  3. Which micro-environmental factors have been covered in the information provided above? What may be the impact of those factors on these sectors?

**(06 Marks)**

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