

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA– SEMESTER -II - EXAMINATION- SUMMER-2023**

**Subject Code: 1529306****Date: 17/07/2023****Subject Name: Marketing Management****Time: 10:30 AM TO 1:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make Suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

- Q.1 Definitions** **14**
- (a) Production Concept  
 (b) SBU  
 (c) Generation X  
 (d) Marketing plan v/s marketing Planning  
 (e) Sustainable Marketing  
 (f) Service Gap  
 (g) Competitive advantage
- Q.2 (a) Differentiate between Sales, Marketing and Value** **07**
- (b) As a Business buyer for your company you have to take decision you have to pass through different stages. Discuss.** **07**
- OR
- (b) Discuss various actors and forces of Environment in Business.** **07**
- Q.3 (a) Describe how's as played in its success. How opportunity matrix analysis help you to enhance such business?** **07**
- (b) Describe SWOT analysis with suitable example.** **07**
- OR
- Q.3 (a) Discuss 4p's of Cadbury Dairy Milk.** **07**
- (b) Ansoff's matrix help marketer to understand market and product well. Discuss** **07**
- Q.4 (a) Put the following products on the Product Life Cycle (PLC) and discuss their lifespan** **07**
- MS-DOS.  
 Internet Telephones (WAP or 3G).  
 Palmtop computers.  
 Play Station 2.  
 Sega Megadrive.  
 Fax machines.
- (b) Describe the marketing use of packaging and branding** **07**

- Q.4** (a) Positioning is not what you do to the product; It's what you do to the customer's mind. Give an example of product positioning strategy **07**
- (b) What are the objectives of sales promotion? **07**

**Q.5** Zomato, one of India's leading Food Service Aggregators (FSAs), was engaged in a conflict with restaurant partners over its practice of offering high discounts to customers. On August 15, 2019, hundreds of restaurants under the National Restaurant Association of India (NRAI) launched a logout campaign and delisted themselves from platforms of FSAs such as Zomato, EazyDiner, Nearbuy, Magicpin, and Dineout, alleging that the aggregators had distorted the food service sector through aggressive discounting and predatory pricing, which hurt the core value proposition and bottom line of restaurants. Zomato, in particular, came under severe criticism as its premium subscription-based dining out service Zomato Gold (ZG) had 6,500 restaurants partners and a total of 1.1 million subscribers in India as of August 2019. As part of the campaign, around 2,500 restaurants logged out from the ZG service. Zomato's co-founder and CEO Deepinder Goyal (Goyal) urged restaurants to stop the logout campaign in the interest of consumers. He admitted that Zomato had made some mistakes and tweaked the ZG program. However, NRAI refused to accept the modified version of the plan, saying that the corrective measures would not resolve the key issue of deep discounts. Goyal then said he would stand by the changes made. He even expanded the ZG service to food delivery. However, time was fast running out for Goyal as Zomato ran the risk of being overtaken by rivals. He would have to resolve the issue quickly in the best interests of all the stakeholders.

On August 15, 2019, over 300 restaurants under the National Restaurant Association of India (NRAI) launched a Logout campaign and delisted themselves from the platforms of some major Food Service Aggregators (FSAs) such as Zomato, EazyDiner, Nearbuy, Magicpin and Dineout over what they called unsustainable deep discounting practices. The campaign aimed to give the restaurant industry independence from aggregators that had allegedly distorted the food service sector through aggressive discounting and predatory pricing, thereby hurting the core value proposition and bottom line of restaurants. Among the FSAs, Zomato was one of the biggest food delivery startups in India, and it had come under severe scrutiny as its premium subscription-based dining out service Zomato Gold (ZG) had 6,500 restaurants as partner members and a total of 1.1 million subscribers in India as of August 2019. Around 2,500 restaurants logged out from the ZG service. Zomato was co-founded by two Gurgaon-based employees of Bain & Co. – Deepinder Goyal and Pankaj Chaddah (Chaddah) – in 2008, under the name Foodiebay.com. The sight of their colleagues queuing up at the office cafeteria every day to go through a file of restaurant menu cards to order food, resulted in Goyal coming up with the idea of an online restaurant information service. He scanned the menu cards and listed them on an intranet website. Many employees soon started using the service. Seeing the huge traffic to the site,

Goyal and Chaddah launched their site publicly in 2008. The website foodiebay.com listed restaurants in Delhi NCR and by the end of 2008 it had become the biggest restaurant directory in the region. In 2010, Foodiebay was renamed Zomato.

In fiscal 2016, Zomato's losses increased by more than three times to Rs 4.41 billion. The company's cash burn was also very high at an average of US\$4.2 million a month, flagging concerns around its heavy investments in online food delivery services. In order to curb the losses and capture the dine-out market in India, Zomato launched a premium, subscription-based dining out program called Zomato Gold (ZG) in November 2017. The exclusive membership program offered customers complimentary food (1+1) and drinks (2+2) for every order they placed at select participating restaurants.

The food service sector in India was valued at around Rs 4,238 billion as of March 2019, according to a report by NRAI (See Exhibit II). And much of this growth was attributed to the rise of food delivery platforms. According to consulting firm Redseer, the number of orders placed on such ordering apps increased from around 1.7 million a day in 2018 to about 2.2 million in 2019. Major aggregators offered deep discounts to attract customers and increase the number of orders placed on their platforms...

As the Logout campaign showed no signs of ending, Goyal announced that Zomato was open to making modifications in the ZG program to rectify mistakes. He appealed to restaurant owners to stop the campaign in the interest of consumers. According to him, bargain hunters had joined ZG and were hurting some segments of the restaurant industry.

While restaurants continued to stay logged out, analysts felt that the logout could destabilise Zomato's business, especially since 12% of its revenues were generated from ZG. The program had reportedly been expected to bring in about US\$25 million in revenue by the end of 2019, which highlighted the importance of the service to the company's bottom line

- (a) Discuss the issues and challenges in operating a platform business, particularly in the food service sector. 07
- (b) Analyze the pros and cons of sales promotions such as loyalty programs and discounting 07

OR

- (a) Critically analyze the Zomato Gold loyalty program, and understand the reasons for the conflict between Zomato and its restaurant partners 07
- (b) Identify the challenges before Zomato and explore strategies that the company can adopt in the future to shift the focus of diners from discounts to loyalty 07

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