Code: 14E00305

MBA III Semester Regular & Supplementary Examinations November/December 2017
PRODUCT & BRAND MANAGEMENT
(For students admitted in 2014, 2015 & 2016 only)

Time: 3 hours   Max. Marks: 60

PART – A
(Answer the following: (05 X 10 = 50 Marks)
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1   Distinguish between consumer products and industrial products. Explain the classification of consumer products.

OR

2   Discuss about different stages in the new product development process with examples.

3   Illustrate various steps in the process of brand management.

OR

4   "Brands are not a summation of physical attributes but rather the overall impressions of mental symbols and affective evaluations of attributes". Illustrate the statement with five Indian examples.

5   What is brand extension? Explain the relevance of brand extension in the context of leveraging the value of a brand.

OR

6   Demonstrate various levels of brand hierarchy by taking passenger car segment of Tata Motors as an example.

7   Develop a research design for measuring brand image and brand attitude for a prominent brand of your choice in FMCG category.

OR

8   What is the difference between product positioning and brand positioning? Illustrate the difference with five examples from the Indian market.

9   "Intangible nature of services poses challenges to the brand managers in building strong brands in the competitive marketing era". Discuss.

OR

10   Discuss the pros and cons of store branding for retail business and consumer.

PART – B
(Compulsory question, 01 X 10 = 10 Marks)

11   **Case Study:**

Mr. Yashovardhan works for a company called Joint Brand Valuation (JBV). This company has expertise on brand valuation for various firms across the globe. In one of the policy documents of the firm, Yashovardhan came to know that one needs to look at five key steps to capture the complex value of a brand. They are: market segmentation, financial analysis, demand analysis, competitive benchmarking, and brand valuation calculation.

It is well-known that brands influence consumer choice and the influence varies depending on the type of the market in which the brand operates. One is required to split the brand's market into non-overlapping and homogeneous groups of consumers according to applicable criteria such as the physical product, distribution channels, consumption patterns, purchase sophistications, geography, and current and potential customers. The brand value in each segment and the sum of the brand values in all the segments constitute the desired value of the brand.

The next task is to identify and forecast revenues and earnings from intangibles generated by the brand for each distinct segment determined in the segmentation stage. Intangible earnings are defined as brand revenue less operating cost, applicable taxes and a change for the capital employed.

The third stage is to conduct a demand analysis. The brand valuator needs to assess the role of the brand in pulling the demand in favour of the brand and determine what proportion of intangible earnings is attributable to the brand measure by an indicator referred to as 'role of branding index'. This can be done by first identifying the various drivers of demand for the branded business, and then determining the degree to which each driver is directly influenced by the brand. The role of the branding index represents the percentage of intangible earnings that are generated by the brand. Brand earnings can be calculated by multiplying the role of branding index with intangible earnings.

Competitive benchmarking involves the process of determination of competitive strengths and weaknesses of the brand to derive the specific brand discount rate that reflects the risk profile of its expected future earnings. An indicator called 'brand strength score' measures this component. This consists of extensive competitive benchmarking and a structured evaluation of the brand's market, stability, leadership position, growth trend, support, and legal protectability. Brand value is the NPV of the forecasted brand earnings, discounted by the brand-discounted rate. The NPV calculation comprises both the forecasted period and the period beyond reflecting the ability of the brand to continue generating future earnings.

Questions:

(a) "Brands influence consumer choice and the influence varies depending on the type of the market in which the brand operates" - Comment.

(b) What is the role of brand index in calculating the brand value?

(c) Explain the relevance of brand strength score in brand assessment.

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