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Exam Duration:	60 Minutes	Total Marks:	30
Paper Date:	October 17, 2021	Weight	10
Section:	A	Page(s):	03
Exam Type:	Midterm-I		

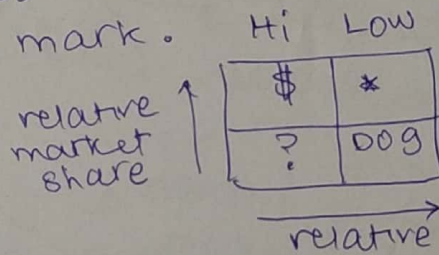
Student Name: [Redacted] Roll No. [Redacted] Section: BS SE 3A

Instruction/Notes: Attempt all questions.

1. Please explain in detail the function of BCG Matrix? Where would you place the following products in the BCG Matrix and why? Dove, Lux, Axe, Sunsilk, Rexona, Clear, Lifebuoy, Ponds, Closeup, and Vaseline. (10 Marks) (LO: 02; BT: Apply)

BCG matrix is a portfolio management tool to assess whether certain SBUs are worth investing in, or not.

- It divides them on the basis of relative market growth and relative market share.
- Each SBU is either a dog, cash cow, star, or a question mark.



cash cow

- Star is the product with high market share and growth. SO Dove, Sunsilk, would be a part of this.
- DOG is the product with low market share and growth. SO Ponds, Closeup, Lifebuoy, would be a part of this.
- Cash cow has the potential to become a star. SO Lux, Vaseline would be part of this.
- Question Mark would include Rexona, Axe, Clear. because it is unclear which side they will go (cash cow or dog) as they enjoy a high market share, but low growth.

2. What is a Strategic Business Unit (SBU)? If you have to design SBUs for Unilever's products, how would you do it? (10 Marks) (LO: 02; BT: Apply)

Strategic Business Unit is a business unit or a collection of related businesses that ~~have the follow~~ can be managed separately from the rest of the company.

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- They have their own managers who assess growth opportunities using BCG matrix, for example.
- They have their own set of competitors
- SBUs for Unilever's products would be:
 - ① Shampoos (Sunsilk, Clear) → related ones are grouped together
 - ② Soap (Dove, Lux)
 - ~~③ Biscuits (Prince)~~
 - ④ Washing Powder (Sunlight, Surf Excel)
- These SBUs can be grown:
 - ① Intensive growth
e.g. if market share of biscuits is grown (same product in same market)
or if they open a branch in another city (same product, new city market)
 - ② Integrative growth (backward) (forward)
if Unilever acquires its suppliers, retailers or its competitors (horizontal)
 - ③ Diversification
if Unilever starts investing in unrelated businesses e.g. acquires grayhounds

3. What are the actual and potential rival offerings and substitutes for Discord, Nvidia, Coca Cola, iPhone, and Honda City? Please provide detailed arguments. (10 Marks) (LO: 02; BT: Understand, Apply)

~~Discord~~ ⁽⁶⁾ Discord → whatsapp, Telegram and other chat rooms that ~~were~~ are both rivals and substitutes as they were there in the market prior to Discord.

Also, Discord is primarily for gaming purposes whereas whatsapp is more general-purpose.

Coca-Cola → Nestle water, Fanta, Sprite are its rivals. water is a substitute because it focuses on its health-aspect. Fanta and Sprite are rivals to Coca-Cola in terms of flavors.

iPhone → Samsung, Lenovo, Xiaomi, Huawei are all rivals. For pricier ranges, iPhones are preferred but for mid-priced to low-priced phones, Xiaomi provides a good alternative. Samsung is the main rival to iPhone in terms of price and quality.

Honda City → Civic or Vitz is a good alternative in terms of features, car design.