



Institute of Health Management Research

MBA Hospital and Health Management

Batch-27th (2022-2024)

First Year, Term 2, End Term Examinations, February 2022

CC- 608 Marketing Management

Time - 3 Hour

Maximum Marks:50 (Pass Marks: 20)

This question paper contains 3 printed pages.

Can the Brand be Saved

It was almost 11 P.M. when Shivani Mehta left the office. She was exhausted. The day had been filled with one meeting after another, and she wanted nothing more than to crawl into bed and get some sleep. But she couldn't head home before stopping by the local 24-hour supermarket. The store was enormous and stocked with food, pharmaceuticals, stationery, books, and even small appliances. Squinting in the bright lights, Shivani Mehta made her way to the health-and-beauty display and stood, staring, at the display of La Shampoo on the top shelf. Nearby, grouped with other conditioners, was the La Shampoo conditioner.

Introduced in 2010 and targeted at women between the ages of 15 and 30 in India, La Shampoo had a stylish image of an international brand that had immediately become popular. The line had quickly advanced from a strong West regional presence to a solid 4% share of the national market -- a position it had held more or less steadily for 10 years. La Shampoo's basic products and packaging had been modified several times over the years, but its look had remained essentially unchanged. And its slogan, "La Shampoo: For the Look and Feel of Europe," had stayed the same since day one. In 2020, the line had begun a very slow descent, but the company hadn't addressed the problem until two years ago when it named Shivani Mehta brand manager.

At first, Shivani called for a new packaging design. She knew that La Shampoo was in trouble, but maybe a quick pick-me-up would do the trick. The ad agency backed her up and developed a modest "new look" campaign launched on digital platforms. This repackaging and digital marketing campaign caused a lot of tension at the office. Most of the people who worked on La Shampoo had been with the company for years and couldn't imagine anything other than a slight variation on the tall, slim, blue plastic bottles with the beige labels, cursive lettering, and a mass marketing approach on digital platforms. And the repackaging -- a wider bottle and yellow label with sharper lettering, and presence on social media -- had had no positive effect on sales since its introduction eight months ago: the numbers had continued their slow decline. Shivani wondered if many customers had even noticed the change.

Shivani shifted her gaze down to the products displayed at eye level. All newer than La Shampoo. All starting to grab market share. But with no consistent recipe for success -- at least none that she could discern. Some claimed to be "green" products, charged a premium, and made out like bandits. One touted a "Low, Low, Low Price!" and sold huge quantities. La Shampoo had always been a high-quality product, a bit more expensive than its competitors, and its marketing strategy -other than the package redesign -had remained consistent over the years. La Shampoo had always sold on an image. Though, that message wasn't working anymore. Tired, Shivani left the health-and-beauty Display and walked slowly toward the exit, deep in thought.

The next morning, Shivani Mehta was at her desk early, doing some last-minute prep work for an 8 AM marketing meeting with Aseem Narang, her product sales manager, and Piyush Mathur, a representative of the advertising agency that held the La Shampoo account. Both had submitted proposals before the meeting; each document was thoughtfully constructed and presented a cogent argument. However, the two recommendations were radically different. Piyush thought that La Shampoo needed a strong brand campaign.

Aseem wanted to compete on price. Shivani hasn't convinced either of them had the right recipe, but she did feel strongly that the middle road wasn't an option.

At the meeting, Aseem spoke first. "I'm not going to waste anyone's time mincing words. We need a short-term solution as well as a long-term plan. Some of our key accounts are in jeopardy, and the only way to save them is to lower our prices permanently."

"That's not a real solution," Piyush countered. "What happens after you cut the price? The competing brands will lower their prices, too, and then we'll be in the same situation we're in now."

"You don't seem to be getting the point, Piyush," Aseem snapped. "La Shampoo is dead unless we discount right now. We need to buy some time to save the brand."

Shivani raised her eyes toward the ceiling but said nothing. Aseem was known for getting riled up pretty quickly, and today, it seemed, was no exception. His style worked for revving up his sales force, but it didn't go over as well in a small conference room.

"And you don't seem to understand that you won't be buying any time by making that kind of move," Piyush shot back. "If you drop the price, you won't have a brand left to build up."

Aseem stood up and grabbed a black marker. He quickly outlined a bar graph on the wallboard depicting national market-share levels of the top shampoo brands and then circled the bar representing La Shampoo, just below the 3% mark.

"Here is where we are," he said. He drew another circle below and to the right of the first one. "Here is where we'll be in three months without some sort of price advantage." He jabbed at the board, crushing the marker's felt tip. "I'm telling you, we don't have the time to develop and roll out a completely new ad campaign. After we've stabilized the account, maybe. But not now. I'm even beginning to think that trying to protect any kind of brand name is a losing battle. You've read the papers -- brands are going the way of the dinosaur."

"You're too close to the issue to see what's good for the product," Piyush said.

"And you're too concerned with your interests," Aseem countered. "At the bottom, you want a new advertising campaign because it will be good for your company."

The debate went around in circles. After a mere 25 minutes, Shivani could see that discussion of this kind wouldn't solve anything. She called the meeting to a halt.

"I'm going to have to review your proposals again and come to a decision," she said. "I'd like a commitment from each of you that you'll support the plan I choose, even if it is not yours. You both know that the only way either of these options will work is if we pull together at every level -- and those of us at the top will have to send that message."

Piyush nodded. "I'll support that," he said.

Aseem stood up. "I will as well," he said. "But if you're seriously considering a new advertising campaign, I think you'll find out pretty quickly that we're too late for that kind of move." He gathered his papers and quickly left, letting the door slam shut behind him.

Shivani Mehta was temporarily at a loss for words. She hadn't expected Aseem to leave so abruptly. She told Piyush that she'd get back to both of them within a week and followed Aseem into the hall, but he was already gone.

Back in her office, Shivani returned a few phone calls and then turned her attention to her E-mail. She had only one message -- from Mrinal Sinha, director of new product development.

"Shivani, I'd like to schedule a meeting with you ASAP to discuss the combination shampoo/conditioner our team has been working on. We should have a preliminary conversation about La Shampoo, and whether or

not you think our new combo should be rolled out as part of the La Shampoo line. I think it should. Our research indicates that people are increasingly demanding more convenient products like combos. Without some kind of a shot in the arm, La Shampoo will be at the end of its life cycle sooner than we'd all like to think. And, frankly, it will be an embarrassment to the company if we don't introduce a combo soon. We've been ready for four months."

"As if I didn't have enough to deal with," Shivani Mehta said under her breath. The market research was so cloudy that it could be used to support almost any argument. And Shivani had heard Mrinal talk about new product launches before. Mrinal had no concept of what was needed to build a brand. But Mrinal's limitations weren't the issue right now. La Shampoo was the problem, and some decisions about the marketing plan had to be made soon.

Note-Attempt any 5 Questions in not more than (1000 words). All questions carry 10 mark each.

- Q1. Identify the Key issues in the case.
- Q2. Critically analyze the present marketing plan(every step) used by the company.
- Q3. Who do you think would be the consumers for La Shampoo's. Describe the market segment for La Shampoo's using the matrix approach.
- Q4. Draw the PLC graph for La Shampoo's (highlight the stage in which shampoo exists) & suggest strategies for the stage.
- Q5. Design the questionnaire (At least 10 questions) to measure customer perception & market assessment towards La Shampoo's.
- Q6. Design the marketing mix for La Shampoo's for the new look.
- Q7. Out of price cut/new advertisement campaign/product line extension which do you think shavani should opt for and why? Justify your answer.