



# GL BAJAJ

Institute of Management & Research

Approved by A.I.C.T.E., Ministry of HRD, Govt. of India

Roll No.....

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)–201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2020-22)

**MID TERM EXAMINATIONS (TERM -II)**

**Academic Session- 2020-21**

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Subject Name : Marketing Management II

Time: 01.30 hrs

Sub. Code: PG10

Max Marks: 20

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**Note:**

**1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**

**2. All questions are compulsory in Section A, B & C. Section A carries 1 Case Study of 8 marks. Section B carries 3 questions of 2 marks each and Section C carries 2 questions of 3 marks each.**

**SECTION– A**

**04+04 = 08 Marks (CO4)**

Q. 1: Case Study:

**Hit the Right Price: iPhone new lineup's segmentation and pricing**

Apple announced new iPhones in a video presentation just over an hour long covering the new devices' faster chips, 5G speeds and capabilities, and improved cameras.

But one of the most important pieces of information for investors and customers got significantly less stage time: Changes to the iPhone lineup's segmentation and pricing.

Apple changed its iPhone lineup so that the new model advertised at \$699 is now a Mini device with a smaller screen. The iPhone 12, the direct successor to the iPhone 11, got a price bump to \$799. Some people will pay even more — the phone costs \$829 if it's not paired with wireless service from Verizon or AT&T, according to Apple's website. (The iPhone 12 Mini also costs \$30 extra without cell service.)

Here's the full line-up, including the low-end iPhone SE and previous models with price cuts:

- iPhone SE (2020) — \$399
- iPhone XR (2018) — \$499
- iPhone 11 (2019) — \$599
- iPhone 12 Mini (2020) — \$729
- iPhone 12 (2020) — \$829
- iPhone 12 Pro (2020) — \$999
- iPhone 12 Pro Max (2020) — \$1099

Apple now has an option at every \$100 starting from \$400 and ranging up to \$1,100, enabling it to compete against Android devices in the low-to-mid range market without cannibalizing its pricey, high-end models. The lower-cost options also give Apple strong products for consumers in emerging markets who might be less inclined to embrace thousand-dollar phones.

This is the second time in two years that Apple has tweaked the pricing of its highest volume phone. Last year, the iPhone 11 got a price cut to \$699, \$50 less than its direct predecessor, the iPhone XR. Cook said that Apple "hit the right price" with the iPhone 11 in January when discussing the device.

Last year, the middle-of-the-road iPhone 11 was the best-selling iPhone in the holiday quarter, Apple CEO Tim Cook said in January. If the iPhone 12 becomes the most popular of Apple’s current models, as is likely, the increase could boost the average iPhone selling price, a key metric for Apple investors.

Apple no longer reports the iPhone’s average selling price on a quarterly basis, so investors will have to back the details out from executive commentary and other market research. But a higher average selling price for iPhones would likely boost total revenue for the segment, which Apple still reports.

(1A) Study the case and identify the iPhone's pricing objectives. Identify various pricing methods adopted by the iPhone and justify the same by correct instances from the case.

(1B) How is iPhone’s lineups this year dealing with its segmentation and pricing. Describe various factors affecting iPhone’s pricing strategies decisions.

**SECTION– B**

**02×03 = 06 Marks (CO3)**

Q. 2: As the president of high definition Alexa powered Smart TVs in India, you must decide between a penetration or skimming pricing policy. Explain the factors you would consider in making your choice.

Q. 3: Keen to cash in on the online shopping boom, the Adidas Group, launched their 1st Indian Omni-channel store in New Delhi last May, 2020. Discuss how this store is different from the physical store of Adidas in your city.

Q. 4: What advertising media will you select for each of the following and why?

A. Air Purifier B. COVID 19 Vaccine

**SECTION– C**

**03×02 = 06 Marks (CO1 and CO2)**

Q.5. “Quantity discounts are price reductions related to the quantities purchased” but “Cash discount are price reduction based on promptness of payment”. Justify with the help of examples.

Q. 6.A MNC is planning to launch its branded lifestyle grooming product for men in India. What channels of distribution should it adopt, to impact in Indian market.

**Mapping of Questions with Course Learning Outcome**

COs	Question Number(s)	Total Marks Allocated to the CO
CO1	Q.5	3
CO2	Q.6	3
CO3	Q.2, Q.3, Q.4	6
CO4	Q1	8