

National Law University, Jodhpur

BBA LLB – II Semester

Subject: Principles of Marketing

Mid Term Examination

Date: 27.03.2026

Max. Marks: 40

Time: 90 Minutes

Q1. Please read the following case (based on a hypothetical company) and answer the questions given below:

Swaranjali Ayurvedic Ltd. was founded in 2007 by wellness entrepreneur Vaidya Shri Vamsi Somesh. The company disrupted India's FMCG market with its ayurvedic, natural-living positioning under the tagline "Pure by Nature". By 2026, Swaranjali operates across ten product categories with mixed portfolio performance. The following table summarises Swaranjali's key Products/ Strategic Business Units (SBUs):

Product / SBU	Market Share	Largest Competitor	Market Growth	Revenue	Profitability
Swaranjali Ghee	42%	Shuddh Ghee Co. (28%)	6%	₹2,100 Cr	High (18%)
Swaranjali Atta (Wheat Flour)	18%	Annapurna Atta (24%)	7%	₹1,600 Cr	Moderate (12%)
Swaranjali Noodles	9%	QuickBite Noodles (62%)	11%	₹850 Cr	Break-even/Losses
Kesh Amrit Hair Oil	14%	Coconut Crown (58%)	16%	₹650 Cr	Negative
Swarna Immunity Booster	8%	VitaShield (18%)	12%	₹400 Cr	Negative
Dant Sudha Toothpaste	12%	BrightSmile (52%)	8%	₹1,200 Cr	Low (8%)
Swaranjali Aloe Vera Gel	38%	GreenLeaf Aloe (22%)	18%	₹520 Cr	High (20%)
Swaranjali Honey	8%	NaturaBee Honey (68%)	10%	₹380 Cr	Losses
Ayur Digestive Biscuits	6%	HealthCrunch (25%)	14%	₹450 Cr	Break-even
Nutralife Soya Chunks	45%	Proteinex Soya (28%)	4%	₹350 Cr	High (22%)

Note: Market growth rate threshold: High > 10% | Low < 10%

Swaranjali's Natural/Ayurvedic positioning is losing appeal with younger urban consumers. Its distribution network is strong mainly in South India and tier 2/3 cities. Its e-commerce presence is moderate (15% of sales vs industry average of 25%).

Swaranjali has a variety of customers. There are middle-aged households in Tier 2/3 cities, with deep brand trust rooted in Ayurvedic values. They buy Ghee, Atta & Soya Chunks (consistently for 4+ years; order size ₹2,800/month), renew purchases regardless of price changes, and actively recommend Swaranjali to family & neighbours.

Then there are young professionals in metros. They have high disposable income, are health-conscious but brand-agnostic. They buy Aloe Vera Gel and Kesh Amrit Hair Oil regularly (high per-transaction value, ₹1,500–2,000/month) and respond well to new product launches. However, they are quick to switch if a trendier brand enters.

Another category is of price-sensitive consumers across all geographies who engage only during Diwali, year-end, or app-sale events. They purchase Dant Sudha Toothpaste and Digestive Biscuits heavily during discount periods, but have zero engagement outside promotions.

Among the customers are also low-income households in rural parts of Southern India; highly loyal to Swaranjali as a trusted affordable brand. They purchase Atta and Honey regularly. They have low per-transaction value (₹400/month), extremely low churn, and unlikely to trade up to premium product.

Questions:

- (a) Marketing bears the main responsibility for achieving profitable growth. Using the concept of product/market expansion grid, suggest recommended actions for Swaranjali Ayurvedic Ltd. Justify each classification and recommendation.
- (b) Classify customer relationship groups for Swaranjali and suggest recommended actions. Justify each classification and recommendation.

(14+6 = 20 marks)

Q2. In India, Gillette wanted to reach out to the 400 million plus men of shaving age most of whom were still using old fashioned T-shaped, double-edged razors. Gillette conducted market research to gain insights about customers while in action and by visiting their homes (that is, the natural environment in which the product is being used). A typical rural shaver would shave seating on the floor of a lowly illuminated room, with a small container holding water to rinse the razor and might hold a mirror in his other hand.

- (a) Which type of *research approach* would Gillette have used for the above study? Justify.
- (b) How the above research study would have impacted the *Marketing Mix* of Gillette?
- (c) Now, in 2026, which type of *research approach* should Gillette use to test the impact on sales if it is contemplating increasing the price of its razor by two different amounts, ₹3 versus ₹5? Justify.

(5+5+4 = 14 marks)

Q3. In a service business, the customer and the front-line service employee interact to co-create service.

Urban Company Limited (formerly known as UrbanClap), having 40,000 registered professionals, is an Indian multinational home services provider that connects individuals with professionals for various home services like professional salon treatment, specialized cleaning, appliance repairs, and home maintenance tasks.

How do you think Urban Company would use the concept of *service profit chain* to link service customer satisfaction and firm profits with employee satisfaction.

(6 marks)

