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MEMBERS AREA

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Passage – 1

India is said to be a land of contrasts. We have great affluence and dire poverty; we profess non-violence and tolerance and yet kill thousands in the name of religion. Another contrast lies in that while we emphasise spiritual values and disdain material success, many of our industrialists and traders are utterly amoral, if not actively dishonest. Are we, in fact, other-worldly as our leaders loudly proclaim ? Are the ethical standards of business in India so low ?

There can be little doubt that the people we respect are scholars and philosophers, not industrialists or skilled artisans. We respect and honour Jamshedji Tata but that was more as a patriot and nationalist who set up an Indian industry, in defiance of British interests, than as an industrialist.

Indian history contains many examples of pioneering work in astronomy and mathematics and, of course, philosophy, but few instances of advances in technology. Ancient and medieval China gave the world paper and gunpowder; there are few corresponding Indian examples. It is a moot point as to whether our cultural values discouraged advances in technology, or whether the fact that we were technologically backward made us look down on industry and technology. The fact remains that when the British colonised us we were very backward except in some crafts such as weaving. And those crafts could not compete with modern technology. British rule did not bring about any major change. First, the British did not want to take steps which would affect the dominant position of their industry. Secondly, the British administrators who ran India shared the same cultural values of looking down on those who made or traded in things. This attitude was adopted by the Indian elite as it was the same as the Indian caste structure: the people at the top were the the priests and the scholars; manufactures and traders belonged to the lower castes.

Our freedom movement came under two strong influences. The Gandhian influence was Ruskinian: his emphasis was on village industries, shunning large-scale manufacturing and anything modern. The opinions of modernists like Pandit Nehru were largely influenced by socialistic thought: it was the state which was to run industry; private initiative and action was suspected as it was governed by the profit motive.

The policies of independent India influenced by socialist thinking and paying lip service to Gandhian values continued to deprecate activities which were motivated by the desire to make money. Of course, this was, in most cases, sheer humbug. Ministers and MPs drew low salaries but made up the difference through munificent allowances and perquisites. Many were corrupt; quite a few who were not monetarily corrupt used their position to ensure that their relatives were given good jobs in industry. Our “godmen” always had a few prosperous businessmen-devotees who brought comfort and even luxury to a life of spartan asceticism.

And the ordinary Indian was like any other person; his ambition was to live well, and, wherever he could, he wanted money for himself and his family. We are no more otherworldly than any one else. In the 40 years after independence we continued this way; most of us wanted money, power and the other things money bought. Yet, we kept on proclaiming our belief in spiritual values and paying lip-service to socialism.

Those in power indeed made money from socialist policies and so did the businessmen and industrialists. Numerous rules and regulations were made in the name of socialism. Those who were in authority made money because they decided who would get the permits. The businessmen revelled in the result; the system created scarcity and curbed competition. Once a permit or licence was secured, a steady profit was guaranteed.

1. Which of the following expresses the passage's central idea most accurately ?
 - (1) An analysis of the 40 years of Indian independence.
 - (2) A description of the average Indian mentality.
 - (3) A description of the hypocrisy typical of Indians.
 - (4) A careful synopsis of the Gandhian ideals in the light of socialism.
2. Which is not true as per the passage ?
 - (1) The contrast in India stems from the equivocal attitudes of Indians.
 - (2) Indian socialism was never designed to genuinely uplift the poor.
 - (3) Gandhian ideals were carefully enshrined in Indian policies.
 - (4) Gandhian ideals have never been followed seriously.

3. *Which is false as per the passage ?*
 - (1) The role of Jamshedji Tata in building the Indian infrastructure has been paid the attention it deserved, at least to some extent.
 - (2) The Indian "caste-structure mentality" reflects its presence in the way we respect our scholars and our industrialists.
 - (3) Indian contribution to modern science has been negligible.
 - (4) None of the above
4. *The author firmly agrees with the view that our cultural values are responsible for our relative stagnancy in technological fields.*
 - (1) True
 - (2) False
 - (3) Irrelevant
 - (4) Indeterminate
5. *The term "munificent" in the passage specifically refers to :*
 - (1) large-scale manufacturing.
 - (2) few prosperous business-devotees.
 - (3) the allowances and perquisites of politicians.
 - (4) the priests and the scholars.
6. *"Spartan asceticism" is the term used to indirectly highlight :*
 - (1) the life of devoted religious Godmen.
 - (2) the strangeness in the Indian fascination with Godmen.
 - (3) the Godmen's lives of luxury.
 - (4) None of the above.
7. *Which of the following is mentioned in the passage ?*
 - (1) Indian history contains pioneering works in all fields.
 - (2) Indian history contains pioneering works in some fields except that of technology.
 - (3) Indian history does not contain pioneering works in any field.
 - (4) All of the above.
8. *As per the passage, our freedom movement came under strong influences.*
 - (1) One
 - (2) No
 - (3) Two
 - (4) Many
9. *The word "humbug" means :*
 - (1) pleasing behaviour.
 - (2) unkind behaviour
 - (3) absurd behaviour.
 - (4) deceptive behaviour.
10. *As per the passage, "numerous rules and regulations made in the name of socialism" :*
 - (1) benefitted the country's social and political structure.
 - (2) harmed the country's social and political structure.
 - (3) formulated the country's social and political structure.
 - (4) None of the above.

Passage – 2

The process of brand reinvention must begin by taking a step back to decide when exactly a brand has to be re-invented. How does a brand come to a pass where it is deemed to be mature ? The problem most companies and marketers face is that they are much too comfortable with their success. This is especially true of large companies, or large brands, which have an inertia inherent to their success. If a brand is doing well, why change ?

While it could be true of the marketing function, one of the worst areas is manufacturing. Because large brands mean large investments in operations. Large investments mean large, high-speed lines, which lead to a lot of inflexibility in the system. Because of the ramifications of a change, there is inertness at the management level. Exaggerating this are the consequences of the decision to re-invent a brand. Which is why a large number of brands go past the time when they need to be re-engineered. One great example is Metal Box: its product-line never got re-engineered and, eventually, it had to shut shop. The dilemma was that Metal Box defined its area of business as tin packaging whereas it should have been packaging. Or take the example of chocolates.

My own business and brands were re-engineered only during a crisis. Back in 1993, we were faced with stagnating volumes and a zero-profit situation. Classical marketing theory tells you that once demand peters off, the marketer should start analysing what is wrong with the brand. But, to my mind, that is only symptomatic of the fact that a brand has gone past the stage when it should have been re-engineered. In that case, the real issue is why—and when—a brand should be re-engineered. At most points of time, a marketer tends to define markets wrongly or too narrowly. Over a period of time, as markets and categories expand, their definitions change dramatically. Therefore, you need to keep the brand contemporary with those so as to be able to stay with the times. One of the best examples of this is the tooth-paste category.

Toothpaste was a cleaning exercise. Then, it became mouth-freshening and then, oral care. As the market has expanded, and the definitions have changed, the consumer has seen the introduction of different brands. Colgate provided basic cleaning. Colgate Plus was about germ protection and dental care. Close Up and Colgate Gel ushered in the mouth-freshening era. And Pepsodent-G provided dental care and total protection.

So, the definition of the category has changed, and if Colgate continues to view it the way it was 10 years ago, to my mind, it will be in a soup. It relies only on the basic cleaning function, it could get marginalised. Sure, there is a Colgate Plus and a Colgate Gel. But, ultimately, what does the main brand represent ? Dental care, which is only cleaning and germ-fighting, while the market has moved on to the next stage of its evolution. That would have worked if the product was, say, in the penetrative mode. Then, Colgate could go in for penetration in the rural areas, convincing users to shift to toothpaste instead of using alternatives. But in today's urban context, Colgate can't adopt that strategy because a large part of its target market, the upper-and middle classes, are buying niche products. So, you have to do your brand in the renewed context of the category.

A marketer could be defensive, offensive, or proactive in re-inventing brands. A defensive strategy would be: my competitor has re-engineered because he has identified a niche and, therefore, I should do the same. Or, you could be proactive: I will do a construct of what the consumer will need three years later, and design products to fit those needs today. Or you could adopt an offensive stance, and say: I will re-engineer my brand to be a state-of-the-art product, spend a lot of money, and be a leader today.

We used a combination of variables for re-inventing Cadbury's chocolate brands: advertising, sizing, pricing. There were pricing changes and iterations which a consumer may not have even noticed. Pre-reengineering, the 35-gm 5 Star retailed for Rs 8, and the 19-gm for Rs 5. We kept the prices the same, but increased the size to, respectively, 40 gms and 20 gms. And the Value-For-Money equation shifted. It also had a great macro-effect in terms of sales. Essentially, re-inventing brands is all about strategic marketing and an intuitive anticipation of consumer needs. And therefore, it is, basically all in the mind.

11. *The author seems to be :*
 - (1) an ardent fan of Cadbury's chocolates.
 - (2) totally in support of defiant consumerism.
 - (3) a total supporter of market forces.
 - (4) a critic of the Cadbury's system of marketing.
12. *The example of toothpaste given in the passage elucidates the basic thought that :*
 - (1) no one can stop the war with time.
 - (2) times change and product definitions change.
 - (3) product identifications change without the changing times.
 - (4) both (1) and (3).
13. *The worst area for making a change is :*
 - (1) production.
 - (2) marketing.
 - (3) finance.
 - (4) structuring of prices.
14. *One personal quality of the author that can be sensed from the passage is :*
 - (1) simplicity and charm.
 - (2) vociferousness.
 - (3) humility and logic.
 - (4) descriptive power.
15. *The passage seems to be an extract from the following except :*
 - (1) a finance journal.
 - (2) a marketing journal.
 - (3) a private lecture in a consortium of consumer durable section of companies.
 - (4) a case-study on marketing.
16. *The most reactive of all the three stands mentioned is :*
 - (1) the proactive stand.
 - (2) the offensive stand.
 - (3) the defensive strategy.
 - (4) the reinvention strategy.
17. *The sluggishness in the management is due to :*
 - (1) structural marketing.
 - (2) the obesity of change.
 - (3) the complexity of change.
 - (4) the pricing, and of sizing variables that come along with the product.
18. *Reinventing is a process of mind. This is so because :*
 - (1) every trouble associated with it can be solved by mind alone.
 - (2) it requires foresight and proper amount of planning on the basis of intuition.
 - (3) consumer understanding is the key.
 - (4) both (1) and (3).
19. *Which of the following tooth paste brands fail to find a mention in the passage ?*
 - (1) CalciGuard
 - (2) Floride
 - (3) Colgate
 - (4) Both (1) and (2)
20. *Which of the following statements is true, as per the passage ?*
 - (1) Re-inventing brands is only about strategic marketing.
 - (2) Re-inventing brands is not about strategic marketing.
 - (3) Re-inventing brands is strategic marketing.
 - (4) Re-inventing brands is all about strategic marketing.

Detailed Solutions

1. **Ans.(3).** Option (3) is the correct answer because throughout the passage, the author spells out a number of issues, which are contradictory. Remaining options (1), (2) and (4) are too narrow to depict the central idea of the passage.
2. **Ans.(3).** Options (1), (2) and (4) find a mention in the passage but option (3) is neglected which states that, Gandhian ideals were not reflected in the policies and not discussed in para 4 and 5, therefore, option (3) is the right answer.
3. **Ans.(4).** Option (1) finds a mention in para 2, option (2) can be deduced from the third paragraph of the passage and option (3) can be deduced from the third paragraph of the passage. Therefore, all the given options are true as per the passage hence, option (4) is the correct answer.
4. **Ans.(2).** The third sentence in of para 3 gives the hint of answer being option (2). Remaining options are incorrect.
5. **Ans.(3).** Options (1), (2) and (4) are in no way related to munificence in the passage. Option (3) is the right answer as, it finds a mention in the 3rd line of 5th para.
6. **Ans.(3).** Options (1) and (2) are in appropriate whereas, option (4) is wrong. Option (3) is the correct answer as the same can be deduced from the last line of 2nd para.
7. **Ans.(2).** The very first statement of para 3 gives a mention of the same. The remaining options (1), (3) and (4) are incorrect.
8. **Ans.(3).** Options (1), (2) and (4) are wrong as they fail to find a mention in the passage. Option (3) is mentioned in the 1st line of the 4th para and therefore is the right answer.
9. **Ans.(4).** Option (4) is the correct answer because "humbug" means false talk or false behaviour and deception. All the other options are incorrect.
10. **Ans.(2).** Option (1) is opposite to what has been stated in the 2nd line of the last para of the passage option (3) and (4) are irrelevant. Option (2) is the correct answer and can be implied from the passage.
11. **Ans.(3).** Options (1), (2) and (4) are incorrect. Option (3) is the right answer because throughout the passage, the author opposed any kind of premeditation of management and supported market trends and pressures.
12. **Ans.(2).** Para 3, 4, 5 discuss the changes in product's definition to time and hence option (2) is the correct answer. All the remaining options (1), (3) and (4) are incorrect.
13. **Ans.(1).** Option (1) is the right answer and also finds a mention in the 1st line of 2nd para. All the other options are wrong.
14. **Ans.(3).** Towards the end of the passage the author's personal experiences justify option (3) being the correct answer. Options (1), (2) and (4) are inappropriate.
15. **Ans.(1).** Option (1) i.e., 'finance' does not deal with the renovation of brand at any point of time. Options (2), (3) and (4) can be source of origin for this passage.
16. **Ans.(2).** Option (2) is the correct answer as it also finds a mention in the 6th para of the passage. Though the other options i.e., options (1), (3) are mentioned in the same para but they are not most reactive. Option (4) is incorrect.
17. **Ans.(3).** Options (1), (2) and (4) are incorrect. Option (3) is the correct answer and it is mentioned in the 4th sentence of the second paragraph.
18. **Ans.(2).** Option (1) is wrong as mind alone can never reinvent. Option (3) is correct but incomplete. Option (4) is incorrect. Option (2) is the right answer and is justified in the last para of the passage.
19. **Ans.(4).** Option (1) and (2) are nowhere mentioned in the passage. Option (3) finds a mention in the 4th sentence of the 4th para. Therefore, option (4) is the correct answer.
20. **Ans.(4).** Option (4) is the right answer and also finds a mention in the second last line of the passage. All the remaining options are incorrect.

Answer Keys

11.(3)	12.(2)	13.(1)	14.(3)	15.(1)	16.(2)	17.(3)	18.(2)	19.(4)	20.(4)
1.(3)	2.(3)	3.(4)	4.(2)	5.(3)	6.(3)	7.(2)	8.(3)	9.(4)	10.(2)