

**FELLOWSHIP EXAMINATION  
MARKETING AND PUBLIC RELATIONS**

Time: 3 Hours]

[Total Marks : 100

Answer any **FIVE** questions only.

All questions carry 20 marks each.

(Note : Answer to questions pertaining to the Insurance Industry may be given with reference to either Life or General Insurance Industry)

- |   | Marks  |
|---|--------|
| 1. a) There is a view that policy conditions are not easily understood by policyholders and that the terms and conditions printed on the policy should be simplified to help prospects understand what they are buying. To what extent do you agree with this view? Discuss the issue keeping in mind both :<br>i) the terms and conditions as printed in any particular policy and<br>ii) the way policies are typically sold. | 15     |
| b) What are your thoughts about the scope of simplifying the policy conditions printed in policy documents?   | 5      |
| 2. Write short notes (about 50 words) on the following :  | 5 each |
| a) Direct Marketing<br>b) People are Managers<br>c) Complaints<br>d) Costs of Quality   |        |
| 3. a) You are the Branch Manager of an insurance company. You intend to do a campaign to increase the market share of your business in the district. Mention 10 activities that you can undertake as a part of the campaign.  | 15     |
| b) State which of the 10, would be considered Market penetration and which would be Market development. Justify the answer.   | 5      |
| 4. Distinguish between :  | 5 each |
| a) Delegation and Empowerment<br>b) MCE and CEE<br>c) Intangibility and Inseparability<br>d) Breadth and Depth in Product Range.  |        |

5. a) Do you agree with the statement that the only competition faced by an insurer is from another insurer doing same kind of insurance business and no other? Discuss keeping in mind that there are many other financial institutions. 10 each
- b) What is a Customer Charter? If you are called upon to make out a Customer Charter for your company, what are 10 points that you will include in it?
6. Out of the 7 Ps (Product, Price, Promotion, Place, People, Process and Physical factors), state which one (**choose only one**) is relevant for the following. Give reasons to justify the answer. 2 each
- a) Renovation of office premises using latest furniture.
  - b) Designing new uniforms for all office staff.
  - c) Taking part in a popular rural fair.
  - d) Acquainting agents on the features of a product introduced recently
  - e) Offering 10% discount in price because of opening of a new outlet.
  - f) Offering 10% discount in price for purchases over Rs. 5000 in festival season .
  - g) Music store selling tickets for a musical show in town.
  - h) Insurer sponsoring a T.V. Serial.
  - i) Motor car company offering extended warranties at concessional rates.
  - j) Government allowing downloading forms and filing returns via Internet.
7. a) State at least 10 developments in the rural areas which indicate that the scope for selling insurance may have improved. 10
- b) A company setting up a factory in a remote location does the following. Which of them would be Social Impact and which would be Social Responsibility? 2 each
- i) Financing an educated young person in the village to set up a petrol pump, which will serve the company's vehicles as well.
  - ii) Arranging for a medical team to visit the neighbouring villages once a fortnight.
  - iii) Opening a school in the neighbourhood.
  - iv) Opening an industrial training school in the neighbourhood.
  - v) Providing for classes for women in the neighbourhood on hygiene and child care.

8. a) You have just taken over as the Branch Manager of an insurance office, with a staff of about 25 persons. You notice that the following issues need attention, apart from business being well behind the target. How would you Prioritise them and what are the considerations for that decision? 2 each
- i) There is always a queue in front of the cashier, who is slow, double checking every collection or payment.
  - ii) The computer operator is not skilled enough. Work is not up to date.
  - iii) The office is in a very crowded area in the centre of the business district, and therefore noisy and dusty. There is no air-conditioning and electricity fails very often, at least once every day.
  - iv) Head office has pointed out that the expenses of your Branch are well above norms as well as in comparison with other branches.
  - v) Your accounts officer has told you that the bank reconciliation works is in arrears, partly because the computer system is not up to date, and that any day the Head Office is likely to point out that the funds are not being transferred regularly.
- b) How valid is the statement that all marketing is unethical? Even if true, to what extent would that apply to insurance marketing? 10

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