

**PARUL UNIVERSITY**  
**FACULTY OF MANAGEMENT**  
**MBA Winter 2019 - 20 Examination**

**Semester: 3**  
**Subject Code: 06203202**  
**Subject Name: Advertisement and Promotion Management**

**Date: 02/12/2019**  
**Time: 10:30am to 1:00pm**  
**Total Marks: 60**

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**Instructions**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Answer in Brief – (Attempt any Five out of Seven) (Each Question 3Marks)****(15)**

1. Explain any three reasons for growth of Integrated Marketing Communications (IMC) in
2. Who are the participants in the IMC process and what is their importance?
3. What are the different types of Advertising agencies? Elaborate any one of them.
4. What is the ELM Model?
5. Give the advantages and disadvantages of “Public Relations” as used in Marketing Communications.
6. What is the difference between Transaction Selling and Relationship Selling?
7. Write a short note on: Sales Quotas

**Q.2 Answer the following questions. (10 marks each)**

- A).** Case-let: “C.K.Raman is employed by a manufacturer of consumer durables products. His job entails the planning, creation, integration, and implementation of diverse forms of Marketing communications (MARCOM) – advertising, sales promotion, publicity releases, events, publicity, sales promotions, direct marketing, e-marketing, word of mouth promotions etc., that are delivered over time to a brand’s targeted customers and prospects with the ultimate goal of influencing or directly affecting their behaviour.” **(10)**
1. What role is C.K.Raman performing? Justify your answer.  
*(choose only one most appropriate option)*
    - a. Advertising and Promotion(AP)
    - b. marketing communications only(MARCOM)
    - c. Integrated Marketing communications (IMC)
    - d. Promotion management (PM)
    - e. Integrated Promotion management (IPM)
  2. Which form of marketing communication should C.K.Raman do and Why?, if his goal is to: *(answer all the following options)*
    - a. increase brand awareness
    - b. affect the behaviour of targeted audience
    - c. learn how to outsell the competition
    - d. lower production costs

- B). Case-let:** “Mr. Chin Chen, Divisional Sales Manager Electronic Accessories Sales Division, Huvai Ltd., is considering the reassignment of new sales territories to his salespeople. He has received the following market information from the corporate sales department about territory potential and sales performance: (10)

**Territory Potential and allocation**

	<b>Territory Potential (Units)</b>	<b>Sales Person A</b>	<b>Sales Person B</b>	<b>Sales Person C</b>
<b>North</b>	160000	0.7	1.1	0.85
<b>South</b>	250000	1.5	1.25	1.3
<b>East</b>	200000	1	1.3	0.68
<b>West</b>	130000	1.8	1	1.32

Which sales person should be assigned to which sales territory and Why?

- C). Case-let:** “Evaluate the “Bournvita - by Cadbury’s” campaign, this product comes with acti strength formula, is packed with nutrients that is specially designed to meet health needs of women under the age group of 25-45, it has 100% rda of calcium, vitamin d, iron and folic acid , it is for Indian women in the same great bournvita taste without any added sugar. Cadbury has used different marketing communication media like advertising in prime time TV channels, radio time, News media, publicity in print spaces, public relations with young people’s clubs, advertising through e-web media, etc. “ (10)

Do you think this campaign will be effective in connecting with young Women Cadbury’s is targeting? Why or Why not?

**Q.3 Case Study (15)**

“Cola wars are known across the world since the last century and these are between two major cola players in the world both American Organizations – Coke and Pepsi. Till 1981 a balanced Competition was: Coke against Pepsi / against Diet Pepsi; Sprite against Mountain Dew; and so on. But when Coca-Cola introduced Diet Coke in 1982, its aspirations were high. It aimed at not being content with outselling Diet Pepsi; the company wanted Diet Coke to be the number two soft drink of any kind. The company executives, by 1989, were predicting that their dream would soon come true. In its ads, Coca-Cola did not invite people to drink Diet Coke for the benefit of losing weight or keep a slim-trim figure. Coca-Cola told people to drink it “Just for the taste of it.” The emphasis on taste by Coca-Cola was particularly effective because Diet Coke was a new entry in the market rather than a reformulation. Diet Pepsi has been in the market for decades and has undergone a number of reformulations. If Diet Pepsi had launched a taste based campaign, skeptical viewers might have responded, “that’s not what you said last year.” The taste plank also provided the groundwork for Diet Coke’s assault on Pepsi. As Diet Coke was being promoted and sold on taste and not on its lack of calories, it made sense for it to compete against every other drink that consumers bought primarily for taste.

Diet Coke quickly overtook Pepsi and was favoured over Pepsi by women consumers who traditionally bought the majority of diet drinks. The major thrust of the Diet Coke ad campaign has been to convince consumers that they don’t have to be weight conscious to drink Diet Coke. Already, men buy more than a third of all diet drinks, and that percentage has been growing rapidly. Coca-Cola has recruited macho heroes and it has been advertising Diet Coke in sports magazines especially aimed at men such as *Sports Illustrated*, *Sport*, and *Inside Sport*.

Coca-Cola’s attack on Pepsi has often been direct and aggressive. It ran ads claiming that one quarter of the 2 million families that had stopped drinking Pepsi had switched to Diet Coke. Pepsi responded with ads claiming that 90 percent of those consumers eventually switched back to Pepsi and Coke ended up revising its ads. Pepsi also used its commercials to make fun of how Coke came up with its numbers.

Diet Pepsi issued its own taste challenge in 1989, using Mike Tyson to claim that Diet Pepsi’s taste was better than Diet Coke’s. Coca-Cola counterattacked by citing research that proved Pepsi wrong, and Pepsi eventually stopped running the ads. To make up for damage done to its image, Coke used some imaginative promotions such as giving a coupon for Diet Coke to everyone buying Pepsi at certain supermarkets. Again, Coke seems to have gained by defining the battle as Diet Coke against Pepsi, rather than Diet Coke against Diet Pepsi. Coca-Cola promoted Diet Coke heavily, so much so that during some quarters it spent more on Diet Coke advertising than on its flagship Coke Classic. It has used innovative techniques such as “roadblocks,” running the same commercial at the same time on different channels. It has also shown Diet Coke sports on cable TV such as MTV, ESPN, and TBS.

(Source: Based on Rebecca Fanin, “Diet Coke: #2 by 1992?” *Marketing and Media Decisions*, September 1989, Patricia Winters, “Diet Coke’s Formula: Stress ‘Taste, Not Calories,” *Advertising Age*, January 1990) –(for exam case solution purpose only)

#### Questions

1. Elaborate the role advertising played in introducing Diet Coke.
2. Why did Coke offer coupons to consumers at certain supermarkets?
3. What did Diet Coke’s advertising campaign aim at performing?
4. Explain the Lavidge and Steiner model - Hierarchy of effects model with reference to consumers’ response to Diet Coke’s advt.