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Pondicherry University
MBA DEGREE EXAMINATION
JANUARY/FEBRUARY 2023
Third/Fourth Semester
Business Administration
INTEGRATED MARKETING COMMUNICATION
YEAR II / SEMESTER III
Answer Key
PART A (6 X 5 = 30 marks)

1. Why the advertising agency is considered most important in marketing?

- All types of specialists, highly paid specialists on a permanent basis, economic and cheaper to use the services of an ad agency.
- Unbiased or objective view of any ad problem/ see merit and demerit through eyes of the buyers
- Rich experience of agency can be fully utilized
- Company own department may not have much time to produce results/ agency can be put under pressure for giving effective performance
- Service is poor agency can be terminated
- Agency is paid by the media owner / buy ad space

2. Write a note on setting of advertising objectives.

Measure ad results DAGMAR Russell H. Colley

- Individual buyer goes through different mental stages before accepting a brand.
- He know more about brand, characteristics, appeals, associated images and feelings, its competitive position and target market
- Final action – buy or get more information

Evolution of ad agencies

- Space broker stage
- Standard services stage
- Marketing services stage

Space broker stage

The first ad agency / Volney B. Palmer in USA in 1841 / simple agent, selling space for his client's newspaper on a commercial basis / many broker followed / no of pages in the NP and resell / little emphasis on ad planning and development

Standard services stage

- NW Ayer & Sons in 1876 started the practice of brokering ad space. / ag with advertisers to place ad/ they worked for the client/ campaign planning, copy writing, art work, layout, media selection and research.
- 19th century the ad agencies almost standardized all their activities

Marketing services stage

- The agencies had grown in size and scope over the years
- Professional
- Consumer psychology, needs and wants

3. Identify the important elements of a well-defined advertising copy.

Copy Elements

1. Headlines
2. The subheading
3. The body copy
4. Captions
5. The blurb or balloon
6. Boxes & Panels
7. Slogan, Logo types and signature

4. Suggest any five important keys to create a successful advertising copy.

- To make people see it – arrest the attention
- Read it – informed
- Understand it
- Believe it
- Make people want them – impel them to act upon the ad message

5. Enumerate the media planning process.

Media planning

1. What are the media available – which serve effectively
2. Which individual medium will be the best vehicle for a client's total ad
3. What would make the best media mix for the client total ad
4. What would be the most effective media schedule for the release of client's ad in each of those media

Steps in MP

1. Target market study – demographic, psychographic and consumer/media profile
2. Deciding the ad message - consumer and media profile / college students
3. Matching media and target group – the cost, the product prestige, the client's reputation, the rival brand's ad media
4. Media selection – the vehicle, the reach, the frequency and size of the ad
5. The media schedule
 - No. of ad appear in each vehicle, the size of ad and the dates on which each will appear
 - Flighting method – ad are bunched with the purpose of creating a big impact
 - Blitz schedule – big size and expensive ad are issued simultaneously in various vehicles to launch a new product or service

6. Elaborate the advantages of advertising on internet.

- It is accessible.
- Low cost.
- Statistics.
- Positioning.
- High effectiveness.
- Time saving.
- Flexibility.
- Segmentation
- Professionalism

7. What is the impact of advertising on international marketing?

- Remind customers and prospects about the benefits of your product or service
- Establish and maintain your distinct identity
- Enhance your reputation
- Encourage existing customers to buy more of what you sell
- Attract new customers and replace lost ones
- Slowly build sales to boost your bottom line
- Promote business to customers, investors

8. Appraise the factors to be considered in the selection of media?

- 1) The nature of product
- 2) Potential market
- 3) The type of distribution strategy
- 4) The advertising objectives
- 5) The type of selling message
- 6) The budget available
- 7) Competitive advertising

9. What are the types of sales promotion?

Sales promotion is generally broken into two major categories—consumer-oriented and trade-oriented activities.

A. Consumer-oriented Promotion Tools:

The consumer-oriented promotion tools are aimed at increasing the sales to existing consumers, and to attract new customers to the firms. It is also called pull strategy. The consumer can take the benefit of promotion tools either from the manufactures or from the dealer, or from both.

1. Free samples
2. Coupons
3. Exchange scheme
4. Discounts
5. Premium offers

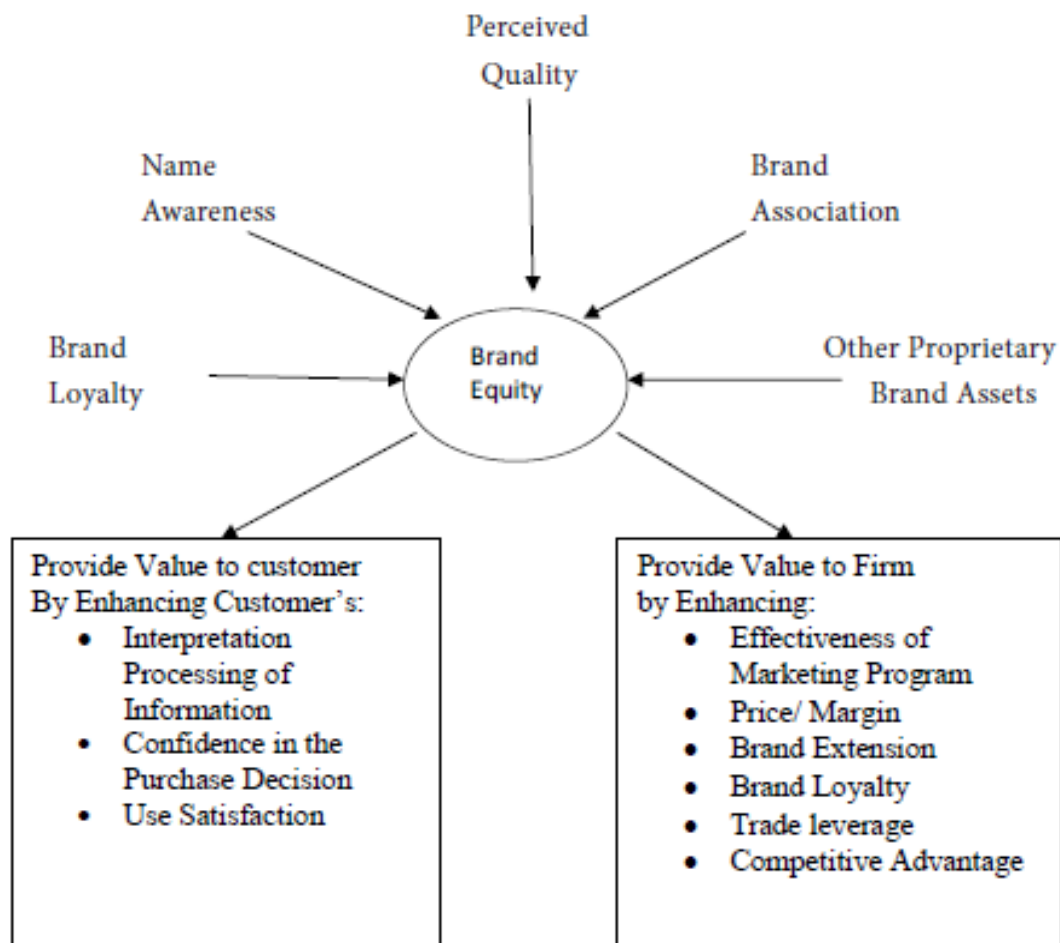
B. Trade-oriented Sales Promotion:

Trade-oriented sales promotion programmes are directed at the dealer network of the company to motivate them to sell more of the company's brand than other brands. It is also known as push strategy, which is directed at the dealer network so that they push the brand to the consumers by giving priority over other competitor brands.

Some of the important trade-oriented promotion tools are as follows:

1. Cash bonuses
2. Stock return
3. Credit terms
4. Dealer trophies
5. Push incentives.

10. How to choose branding elements to build brand equity.



PART B (5 X 10 = 50 marks)

11. Elaborate the classifications of advertising

1. Classification on the basis of Prospects

- Consumer ad – direct appeal to the ultimate consumers/ to create dd
- Industrial ad – appeal by the producers to the industrial users
- Trade ad – manufacturer to the traders or dealers / WR
- Professional ad – manufacturer to professional like doctors, engineers/ to purchase and recommend

2. Classification on the basis of types of products

- Consumer Products – consumer durables and non- durables

3. Classification on the basis of the Geographical Area covered by the Advertisement

1. National
2. Regional
3. Local

4. Classification on the basis of the Type of Demand it attempts to create

- A. Primary advertising - not brand based but product/service based (particular product not specific brand/ intended to create dd for generic or general product eg. Association of manufacture of motor car)
- B. Selective advertising – Brand based Eg: maruti (by particular person)

5. Classification on the basis of the objectives of Advertisement

1. Product ad – create dd for product

- a. Informative or pioneering product ad – developing primary dd/ used in the introduction stage of PLC/ they may know to use the product
- b. Comparative P Ad -
- c. Competitive or selective P Ad - growth
- d. Reminder P ad - maturity
- e. Shortage ad
- f. Co-operative ad

2. Institutional advertising – create a good image /to build up goodwill or reputation/ shareholders, creditors and employees

6. Classification on the basis of the result intended

- Direct Action or quick Action (Week or Fortnight)
- Indirect Action or delayed Action (Car or Scooters)

7. Classification on the basis of the nature or type of Advertising Appeal

- a. Emotional advertising
- b. Rational advertising - functional benefit Eg. Medimix soap

8. On the basis of Sponsorship

1. Manufacturer's ad – product or institutional ad
2. Retailers or dealers ad – regional or local
3. Co-operative ad - regional or local carry name of both / two types
Horizontal co-operative ad – sponsored jointly by firms on the same distribution level, eg. Manuf, growers, farmers or retailers
Vertical co-operative ad – manuf shares ad cost with retailers

9. On the basis of the purpose of advertising

1. Commercial ad – increase sale
2. Non-commercial ad

10. On the basis of the Targeted Prospects

- a. Mass ad
- b. Class ad

11. On the basis of the Advertising Media

- a. TV
- b. Radio
- c. Magazine
- d. Outdoor

12. Enumerate the factors affecting advertising budgets.

Several factors to consider in determining an advertising budget are:

- Marketing goals
- Target audience
- Types of products
- Selected media types and their frequency
- Expected profit
- Product life cycle stage

13. What is the attributes of a good advertising copy?

- (1) It Should Be Simple:
- (2) It Should Be Capable of Holding the Reader's Attention:
- (3) It Must Be Suggestive:
- (4) It Should Have Conviction Value:
- (5) It Should Educate The People:
- (6) It Should Have Memorising Value:
- (7) It Should Be True:

14. What are the classification of advertising copy?

On the basis of functions

- a) **Educational copy** - use
- b) **Missionary copy** – create propaganda
- c) **Introductory**
- d) **Pioneering** – aims to educate public
- e) **Competitive** – special feature
- f) **Institutional** – reliable and reasonable

On the basis of purpose

- **Goodwill copy** – aim is not to sell the product, aims to sell some idea about the co.
- **Selling copy** – mail-order house to effect a sale by mail, W to R

On the basis of appeal

- **Reason why copy** – answer the queries raise from the product, why, how or when to purchase
- **Human interest copy** – appeal to our senses

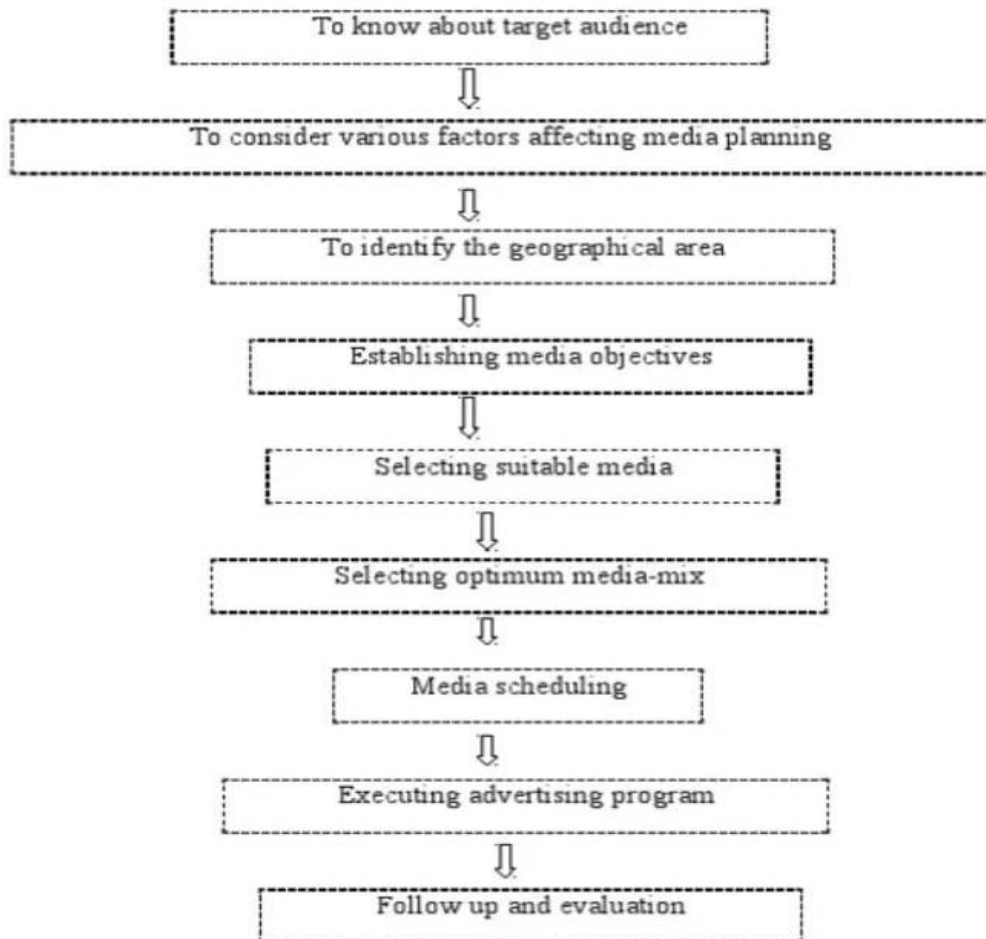
On the basis of message

- **Suggestive copy** – directly or indirectly convey the message which may lead to purchase of the product.
- **Expository copy** – facts, operation, uses and aspects of superiority
- **Descriptive copy** – creating words attractively to impress the reader's mind
- **Argumentative copy** – support product by facts

Other types of copy

- **Narrative** – story, around the product and use
- **Colloquial** – informal language and talks in personal terms with I and YOU
- **Questioning** – do you suffer from
- **Personality** – real or imaginary

15. Enumerate the selection process for media advertising.



16. State the types of media available for advertisements.

A. Indoor advertising media:

Indoor advertising media represents the use of those vehicles by the advertisers that carry the message right into the houses or indoors of the audiences.

These vehicles are:

- (1) Newspapers
- (2) Magazines
- (3) Radio
- (4) Television and Film.

B. Outdoor advertising media:

Outdoor advertising is the only one of its kind that has been carried for ages. This is the media to reach the people when they are out of doors. The ad message is delivered to the audience like print and broadcast media; rather the message is placed in strategic places exposed to moving audience.

Its strength is tremendous because, 97 per cent of the total adult population moves out of doors every week. Its vehicles are: posters, printed displays, electric signs, travelling displays, sky writing, sandwich men and the like.

A 'poster' is a sheet of paper pasted on a wooden or a card or metal board depicting the ad message. It can be standardized or non-standardised as to size and colours. The success of poster rests on poster designing and the site of pasting. A 'printed display' is the painted bulletin and the wall painting. It is standardised metal sheet of rectangular shape hung on hoarding stands at strategic places.

An 'electrical sign' is a spectacular sign giving light effects, creating charming and enchanting scene in the dark. A 'travelling display' is an advertising sign seen in and outside travelling vehicles like train, buses, car, taxis, trams, autos and the like.

A 'sky writing' is a kind of publicity where message is spread in the sky in the form of a smoke or fire-workers nor the lights. A 'sandwich-men' advertising is the team of tall and dwarf men singing and spending the ad message and is the oldest and the simplest of all vehicles of outdoor advertising.

The relative merits are:

1. Wider and deeper appeal.
2. Greater flexibility.

3. Economy.
4. Easy accommodation and
5. Beautification.

The demerits are:

1. A reminder publicity.
2. Uglification.
3. Heavy investments.
4. Immeasurability.

C. Direct advertising media:

Direct advertising is one of the oldest methods of reaching the consumers. Direct advertising covers all forms of printed advertising delivered directly to the prospective customers instead of indirect distribution like news-papers and magazines.

This printed matter is distributed house to house by personal delivery, handed to persons on the sidewalks, placed in the automobiles, stuck under the wind-screen of an automobile, handed over at the retail outlets or sent through post.

It takes different forms to deliver the sales message to the prospects through the medium of mail or person. These are post cards envelope enclosures, broad-sides, booklets, catalogues, sales letters, gifts novelties, stores publications, package inserts and free samples.

The merits are:

1. Highly selective.
2. Flexibility.
3. Personal touch.
4. Deeper impact and
5. Results measurability.

The demerits are:

1. High cost.
2. Low reader interest
3. Warrants special skill.
4. Limited span.

D. Display advertising media:

Display advertising or promotional advertising is hinged on the concept of display. Display is the systematic arrangement of samples of saleable products to catch the imagination and the notice of the people.

Display demonstrates directly about the product or products by presenting them than by telling and selling the points indirectly. It is also called as P.O.A. or point of advertising.

The significance of display advertising lies in four points:

1. It allows the prospects to experience the product before buying,
2. It is an effective dealer aid,
3. It attracts the consumers to the shop, and
4. It makes possible impulse buying.

Promotional advertising has three vehicles namely, displays, showrooms and show- cases and exhibitions and fairs.

‘Displays are basically of two types namely, ‘window’ and ‘counter’. ‘Window’ display implies showing of goods in the front window of the shop. It is window showmanship.

The merits are:

1. Point of purchase impact.
2. Colourful life-size presentation.
3. Acts as a beauty mask. ‘

Counter’ display or ‘interior’ display stands for all arrangement that is made in the sales hall of the shop. It is internal showmanship in the garb of storage.

The merits are:

1. Easy location of products.
2. Impulse buying.
3. Consumer loyalty.

However, there are some specific problems which are to be tackled for better results. These are:

1. Creativity.
2. Placement.
3. Wastage.

The success of display advertising depends on the perfect understanding of:

1. The shopping habits of consumers.
2. The needs of the store manager.
3. Forms of display.
4. The display idea and
5. Getting the displays used.

E. Showrooms

Showroom is a specially designed room or a room-cum-office, rented or owned, located in the prominent place of the sales territory used mainly for display, demonstration and after sale services.

On the other hand, 'show case' is a glass-box, a glazed case, a cabinet with glass-doors or glass-panes or a glass cupboard designed to display the products in an artistic way.

These are placed in the conspicuous places like railway stations, airports, bus terminals, cinema houses, or specially rented buildings, city squares, parks, post offices and other market places.

The merits of showrooms and show cases are:

1. The place to get orders.
2. The training ground.
3. The centre for after-sales services.

F. Exhibitions and fairs:

Exhibition is a congregation of showrooms of different manufacturers under a single roof. It is a huge gathering of manufacturers for the purposes of display, demonstration and booking orders.

On the other hand, 'trade-fairs' is a huge fair where the display and demonstrations are combined with entertainment. Trade fair is more than an exhibition.

The merits of exhibition and trade fair are:

1. The place for display and demonstration.
2. Deeper impact.
3. Market development.

However, the basic problems involved in success of these exhibitions and trade fairs are:

1. High cost and
2. Management, the success depends on sound planning as to size, site, design of exhibition spot, technical and sales staff and display and demonstration tactics and styles.

17. Describe the principles of integrated marketing communication.

As defined by the American Association of Advertising Agencies, integrated marketing communications "a concept of marketing communication planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines – general advertising, direct response sales promotion and public relations — and combines these disciplines to provide clarity, consistency, and maximum communications impact."

1. Consistency

- Brand Message
- Design and Style
- Customer Service

The first and most important principle behind integrated marketing is consistency. Think about your brand, your company mission statement, the purpose behind your business. Everything you and your company do, say, create, and sell must be consistent across the board. Public relations, social media, paid advertising, and content creation must all fall under a theme. It doesn't really matter what that theme is in terms of integrated marketing. All that matters is that you are consistent with it.

Design and styling should also fall under this principle. When a potential customer picks up a product, reads an article, sees an advertisement, or visits a website under your company name, they should all convey a similar design scheme that defines your brand. That means using the same colors, fonts, and other visual elements to reinforce that consistency principle throughout your entire market reach. This also helps you link your various marketing platforms under a specific environment.

The consistency principle is also crucial towards customer service. Having a centralized employee training guidebook, procedural responses toward employee concerns, and an overall uniform look to your company's staff develops a brand and reinforces positive company outlook.

2. Community

- Email campaigns and newsletters
- Exclusive member benefits and events
- Surveys and reconnections

A successful business marketing strategy is nothing without the customers. Companies need customers to function and grow. The problem is that many marketing strategies tend to focus on acquiring new customers, new audiences, and new markets while they forget about retaining their existing customer base. Contests, sweepstakes, viral campaigns, and guerilla marketing tactics gain quite a bit of attention but often do not increase profitability for the company.

The real money is made from all your loyal customers. That's your "community." Marketing to an established customer base costs a lot less and generates a far better ROI than attracting new audiences. You don't need to sell them on trusting you or convincing them that you sell a good product. The hard part is already over.

Stay connected with your existing customer base. Build your marketing strategy around them. Figure out how and why they want to stay connected and make it easy for them.

3. Cooperation

- Co-department meetings
- Appropriate task delegation
- Review and follow ups

In order for a company to flourish it has to work as a team. I'm not talking about communication. It's about having everyone do their part. All departments in a company must be on the same side and take whatever steps necessary to resolve an issue. I hear all the time about businesses where their marketing department hates the sales department. Or the logistics department can't stand accounting.

In order for any successful marketing strategy to work there needs to be complete cooperation between all departments. Everyone must be on the same page and working towards the same goals. This isn't solved by having a simple office space restructuring. You need to structure tasks accordingly, and hold regular meetings to make sure everyone is on the same page. Don't forget to review and follow up with any project you put out there as well.

4. Communication

- Have a good CRM program
- Set up company resource databases
- Install a company server chat system

Communication is the final key principle to integrated marketing. I see this principle as an intricate web connecting everything in a marketing strategy. Without it, everything else would very quickly fall apart. Focus on building communication channels that enable your company to share key information across multiple online and offline platforms.

A good CRM program like Salesforce is a great way to keep accurate follow-ups with customers. Not only does this help you remember outreach calls and easily pick up previous conversations, but it also helps other employees pick up the pieces should you be unavailable to do so. Having a good database filled with valuable and extraneous company information is great for allowing key people in your company to quickly find what they need for a project.

Just focus on minimizing the amount of communication that needs to take place in order to get something done. A customer should be able to speak directly with whoever can solve their problem. Eliminate the middle man whenever possible

18. Explore the techniques to measure advertising effectiveness.

Pre testing methods

Pre-testing is preferred because it enables one to know how effective an advertisement is likely to be, before spending the budget and adopting advertising actions. pre-testing may be of the following types:-

Consumer Jury

Consumer reaction has greater validity than the reactions of non-consumers. Consumers can provide true information on reaction to an advertising campaign. Others may underestimate or overestimate the reactions. The copy, illustrations, filming techniques, layout, etc. can be properly evaluated by the consumers concerned with the product. The consumer jury technique is adopted for print media, broadcast media and direct mail.

Broadcast Media: Consumers are asked to come to the television studio where they are shown different television programmes for final consideration. Sometimes, the television advertisement messages are pre-examined in different localities.

Direct mail test:

The direct mail test is used through the mail. The post cards containing copy appeal, each with a reply-paid card, is sent free-of-cost to consumers, who are required to give their evaluation.

Storyboard Tests:

The storyboard prepared for television advertising is tested before it is used. The storyboard pictures are transferred to a film strip and the audio section onto a tape. Vision and sound are synchronized and shown to an

audience for evaluation. This test uncovers the unnecessary part. The important part of advertising is accepted for telecasting.

Laboratory Tests:

The respondents are placed in laboratory situations and are asked to explain the measurements regarding the effectiveness of the advertisement. Laboratory conditions offer a controlled environment that excludes the variables which may invalidate the test. It is used to measure awareness, attention, desire, retention, etc.

- Tachistoscope
- Psychogalvanometer
- Eye Camera
- Pupil Dilation

Attitude Test:

The attitude is closely related to advertising effectiveness. Respondents are asked to give answers to the questions on a seven-point bipolar scale about their feelings about a particular advertisement. The semantic differential rating scale has been used extensively to measure advertising effectiveness. If the attitudes of potential customers are changed toward the products, the advertisement is considered effective. The attitude of potential customers or respondents can be measured accurately on the attitude scale. This scale measures the position of the consumers' attitudes on a continuum, varying from favourable at one end and to unfavourable at the other end. This test is applied before the use of the advertising media, message and campaign to find out how far they would influence consumer attitudes.

POST-TESTING METHODS

It is applied after the advertisement has ended to find out how far advertising has been successful. The objective of advertising is to arouse consumer awareness, his interest, desire and develop his attitude to the product. These are recognition tests, recall tests, attitude change, sales and recognition tests.

19. Summarize the rationale of sales promotion rationale of sale.

A rationale is, as the name implies, a rational explanation for something. In the case of copywriters, it's simply a short document that explains the creative strategy behind the copy, what you expect the package will accomplish and why.

Sales promotion is one among the three pillars of promotional mix. The other two pillars are personal selling and advertising. Sales promotion is the connecting link between personal selling and advertising. Sales promotion is an important and specialized function of marketing.

1. The basic purpose of promotion is to disseminate information to the potential customers.
2. Sellers use incentive-type promotions to attract new customers, to reward loyal customers and to increase the repurchase rates of occasional users.
3. To encourage the customers to try a new product. An interesting example: the Brooke Bond Tea of India used to distribute free tea to every household during 1930's, in order to promote tea drinking habits among the people of Chennai.
4. Sales promotions yield faster responses in sales than advertising.
5. Sales promotion is considered as a special selling effort to accelerate sales.
6. Brand switchers are primarily looking for low price, good value and premiums. Sales promotions are likely to turn them into loyal brand users.
7. It helps to defeat competitors' promotional activities.

Importance of Sales Promotion:

In recent years, the importance of sales promotion has increased. The amount spent on sales promotion now equals the amount spent on advertising. The sales promotion increase is due to the changes in the marketing environment. The importance of sales promotion increase is due to the thinking of new ideas for creating a favourable condition of selling, promoting sales and future expansion of sales.

It is a part of marketing strategy. It is essential for the survival of a manufacturer. For the birth of new product or new brand, sales promotion is very important. Advertising reaches the customers at their homes, or at the place of business or in their travels, whereas sales promotional devices inform, remind or stimulate the buyers at the point of purchase.

Hence it is the only device which is available to the consumers at the point of purchase. A good sales promotional programme will remove the consumer's dissatisfaction with respect to retail selling. Sales promotion increases as a result of the growing use of self-service and other sales methods.

In India lakhs of rupees are now being spent on sales promotional activities. Now-a-days it becomes a necessity and it is not a luxury. All the marketing devices, by which demand for a product is stimulated and re-stimulated are known as sales promotion.

Reasons for the Rapid Growth of Sales Promotion:

This is due to several factors which contribute to the rapid growth of sales promotion, particularly in consumer markets.

They are internal and external factors:

I. Internal Factors:

(a) Promotion is accepted by top management as an effective sales tool. Now-a-days top level managers realize and accept that sales promotion effects sales. It will increase the sales volume.

(b) Product managers are qualified to use sales promotion tools. Product managers realize the importance of sales promotion. Hence they practise sales promotion tools effectively.

(c) It is the duty of the product managers to increase the sales volume, and this attracts the sales promotion tools to achieve the aimed objective.

II. External Factors:

(a) There is widespread use of branding. Promotional activities are essential as they are more practical than advertising.

(b) Competitors have become promotional-minded. There is cut-throat competition, and the market is flooded with numerous products. Hence, promotional activities are essential.

(c) During the period of inflation and recession, the consumers are more deal-oriented and the promotional techniques facilitate sales.

(d) The present stage of trade demands more deals from manufacturers.

20. Interpret the steps to create an effective sales promotion strategy.

1. Select the right target audience
2. Set measurable goals
3. Limit availability
4. Don't forget to promote your promotions
5. Offer real value
6. Review your results

Part C (1 x 20 = marks)

21. Sleek Sports is into manufacturing and marketing sleek brand named sports accessories like sport shoes, T shirts, gloves and few sports equipment in Indian and few foreign markets. Sleek had been in Indian market for the past 10 years and about 6 years back it had started exporting its products to foreign markets also. There was steady growth in the sales for the past few years, but for the last two years there has been reduction in sales in both domestic as well as foreign markets. Hence the CEO of the company Mr. Gopal is thinking of better promotional activities, for both domestic as well as foreign markets.

Questions:

a) Suggest few promotion to boost the sales of sleek products

A. Consumer-oriented Promotion Tools:

The consumer-oriented promotion tools are aimed at increasing the sales to existing consumers, and to attract new customers to the firms. It is also called pull strategy. The consumer can take the benefit of promotion tools either from the manufactures or from the dealer, or from both.

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2. Coupons
3. Exchange scheme
4. Discounts
5. Premium offers

B. Trade-oriented Sales Promotion:

Trade-oriented sales promotion programmes are directed at the dealer network of the company to motivate them to sell more of the company's brand than other brands. It is also known as push strategy, which is directed at the dealer network so that they push the brand to the consumers by giving priority over other competitor brands.

1. Cash bonuses
2. Stock return
3. Credit terms
4. Dealer conferences
5. Dealer trophies.
6. Push incentives

b) What should be the media strategy for the promotion? Explain.

Media concentration strategy
Media dispersion strategy
Earned media strategy
Paid media strategy
Owned media strategy

c) Can the promotion strategy be same for both domestic as well as foreign markets? Justify your stance.

The answer to this question is both **yes and no**. The basic marketing principles employed in domestic and international marketing are the same. However, there are additional areas to consider when participating in international marketing.

Domestic marketing refers to carrying out marketing activities within the national boundaries.

International marketing refers to carrying out marketing activities outside the national boundaries also.

d) What can be promotion strategy for short term and long term?

A few tactics to achieve short-term marketing success:

Reduced pricing promotions
Group offers
Pay-per-click (PPC) advertising
Tradeshows

Few tactics to achieve long-term marketing success:

Search Engine Optimization (SEO)
Public relations (PR)
Publishing and Promoting Content
Social Media

***Answers with different points of view are also accepted in Part C alone based on individual perception.**