

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 03– • EXAMINATION – SUMMER-2018

Subject Code: 2830102

Date: 04/05/2018

Subject Name: Integrated Marketing Communication

Time: 2:30 PM To 5:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q.1 Choose the correct option:

6

(a)

Method of establishing promotional budget amount by matching the competition's expenditures is called as _____

- | | | |
|----|--------------------------------|------------------------------|
| 1. | A. Arbitrary allocation method | B. Competitive parity method |
| | C. Percentage of sales method | D. Affordable method |

Which of the following is a field testing method of measuring effectiveness of promotional program?

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|----|-------------------------------|--------------------|
| 2. | A. Dummy advertising vehicles | B. Consumer juries |
| | C. Physiological measures | D. Theater tests |

A technique in which small number of people with similar backgrounds are brought together to discuss a particular product, idea or issue is called as _____

- | | | |
|----|---------------------|--------------------------|
| 3. | A. Association test | B. In-depth interview |
| | C. Focus groups | D. Projective techniques |

Which type of advertising objective is the most important for mature products?

- | | | |
|----|---------------------------|----------------------------|
| 4. | A. Persuasive advertising | B. Informative advertising |
| | C. Reminder advertising | D. Comparison advertising |

Advertising designed to stimulate demand for the general product class or entire industry is known as

- | | | |
|----|---------------------------------|-------------------------------|
| 5. | A. Selective demand advertising | B. Primary demand advertising |
| | C. Professional advertising | D. Trade advertising |

Which of the following is not one of the tools of Integrated Marketing Communication?

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|----|---------------------|---------------------|
| 6. | A. Personal selling | B. Direct Marketing |
| | C. Sales promotions | D. Packaging |

Q.1 (b) Define the following:

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1. Fear appeal
2. Noise
3. Source credibility
4. Reference group

Q.1 (c) Write a note on bases of market segmentation. Explain each base with the help of an example.

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- Q.2 (a)** Discuss in detail the various tools of IMC. **07**
- (b)** Discuss various agency compensation methods. **07**
- OR**
- (b)** “Increasing sales is not the only objective of marketing communication program”, Critically evaluate the statement. **07**
- Q.3 (a)** Write a note on top-down approaches to budget setting. **07**
- (b)** What is DAGMAR? Explain how marketers might use DAGMAR in establishing objectives. What are some of the problems associated with the use of DAGMAR? **07**
- OR**
- Q.3 (a)** Discuss source attractiveness. What are the risks of using celebrity endorsers for any brand? **07**
- (b)** Explain the classical conditioning theory of consumer learning with help of an example. **07**
- Q.4 (a)** Discuss in detail any five ad execution styles. **07**
- (b)** Write a note on scheduling methods. Explain each method with an example. **07**
- OR**
- Q.4 (a)** Discuss pre-testing vs. post-testing methods for measuring effectiveness of promotional programs. Explain any two pre-testing and two post-testing methods. **07**
- (b)** Explain Elaboration Likelihood Model with appropriate examples. **07**

Q.5 Case – Red Bull

Red Bull is an energy drink sold by Austrian company Red Bull GmbH, created in 1987. The company has been doing Integrated Marketing Communication very successfully. Red Bull's slogan is "it gives you wings." Red Bull's international marketing campaign targets young men mostly with extreme sports. When you see this commercial, you may know how many kinds of extreme sports that the company sponsors to. These range from mountain biking, BMX, motocross, windsurfing, snowboarding, cliff-diving, skating, freestyle motocross, rally, Formula 1 racing, to breakdancing.

Red Bull also supports specific extreme sports players. Especially, Felix Baumgartner's (who is sponsored by Red Bull) free fall is live broadcasting throughout all over the world on Youtube and television, on SNS, three hundred thousand of people share the picture of the moment in just 30 minutes. It is very efficient to let many people know about the brand with sports sponsorship marketing, because its slogan and the concept of extreme sports are matched very well.

Red Bull sponsors not only sports but also music festivals and other events. The company shows its image based on creative and powerful passion at many festivals. In Korea, Red Bull was one of representative sponsor at many famous music festivals such as World DJ Festival and Ultra Music Festival (UMF). At music festival, many people want to enjoy and used up their energy. They don't want to be exhausted in short time. In this situation, cool energy drink is useful to enjoy the party. Red Bull finds out when and where people want the drink and satisfies people's needs.

There is another marketing that only Red Bull has been doing is 'Red Bull Wings'. It's a kind of viral marketing. 'Wings', which is similar to help advertise brand and consist of young women university students, come various festivals and event. They drive cute concept cars and give Red Bull energy drinks to people for free. Because of this promotion, SNS postings about 'Wings' can be easily spread and shared by many people in short time.

In an article, it said that Red Bull invests their 30 percent of profit on marketing. The company has been thinking about what would be effective to advertise their brand. Selling energy drink and sponsoring extreme sports team are different matter. However, they combined their product with the slogan and various supporting activities with their creative plans, and became the most famous and bestselling energy drink company.

1. Explain how Red Bull has used various integrated marketing communications tools to make itself a successful brand.
2. Discuss how Red Bull combines above-the-line as well as below-the-line promotional techniques.

OR

A day after Reliance Industries' Mukesh Ambani kicked-off his company's ambitious telecom venture, India woke up to full front-page advertisements of Prime Minister Narendra Modi in what appeared to be an advertising campaign for Reliance Jio. "In the journey of time, there come a few life changing moments. Our honorable Prime Minister's inspiring vision of a Digital India is one such movement. Jio is dedicated to realizing our Prime Minister's Digital India vision for 1.2 billion Indians. Jio Digital Life will give the power of data to each Indian, to fulfil every dream and collectively take India to the global digital leadership..." reads a paragraph of text that comes just below an image of Modi in dark blue jacket, which is incidentally the same color as Jio's logo.

Over the course of the day, irate readers and citizens vented their surprise and anger over a Prime Minister endorsing a private product. By evening, the television advertisements had started. A ninety-second clip starts with images of India's most famous icons: Swami Vivekanand, Mahatma Gandhi, Rabindranath Tagore and Mother Teresa. This gives way to a portion of Modi's Independence Day speech this year, where the prime minister speaks of his government's Digital India programme and how it will uplift India. The final portion links Reliance Jio's aims specifically with Digital India, and talks of how the service will connect India's 1.2 billion people with free voice calls. "The video, if not the newspaper advertisements, seem to be very cleverly played. There's no specific talks of a product or product launch. They have tried to play it off as a dedication to Digital India, even though it's clearly obvious that it is not. I mean it comes one day after Jio launched," said the senior executive of one of India's largest advertising and public relations firm.

The most important question that emerged, was whether Modi's image was used in the brand campaign illegally. Is permission required to use the prime minister's image in both advertisements and tributes or dedication campaigns? The first line of defense, the Emblems and Names (Prevention of Improper Use) Act, 1950, clearly states that "...No person shall, except in such cases and under such conditions as may be prescribed by the Central Government use... for the purpose of any trade, business, calling or profession... any name or emblem specified in the Schedule or, any colorable imitation thereof without the previous permission of the Central Government or of such officer of Government as may be authorized in this behalf by the Central Government." This law suggests that written permission is required. The Reliance Jio campaign, on the face of it, appears to have taken a similar angle; marrying the Jio product to Modi's Digital India.

1. According to you, is it ethical for a private company to use a serving Prime Minister's name for their advertising campaign? Justify your answer with reasons.
2. Do you think there must have been some agreement between Reliance Jio and the ruling government before the advertisement appeared in the newspaper? How would you react to this situation if you were the Controller of Advertisements in India?