

**MBMM 4003**

M.B.A. DEGREE EXAMINATION,  
DECEMBER 2014/JANUARY 2015.

Fourth Semester

Marketing

**ADVERTISING AND SALES PROMOTION**

(2012-2013 Batch onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of Eight questions.

All questions carry equal marks.

1. Explain advertising and its role in Indian economy.
2. Explain different types of advertisements.
3. Briefly explain the types of advertising budgets.
4. Write short notes on :
  - (a) Media selection
  - (b) Brand image.

5. Distinguish between publicity and corporate advertising.
6. Define Advertisement copy. Explain types of various advertisement copy.
7. Describe the duties of Advertising manager.
8. 'Electronic media buying is different from other media'— Discuss.

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PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of Eight questions.

All questions carry equal marks.

9. What is sales promotion? Explain the role and types of sales promotion activities.
10. Elucidate pre-testing and post testing of advertising effectiveness.
11. Explain the importance of visual layout and art work in the preparation of advertisement.
12. Explain the factors influencing in an advertisement media selection for Positioning a new product.

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 spots on cable TV such as MTV, ESPN and TBS.

Questions :

- (a) What role has advertising played in introducing Diet Coke?
- (b) Why did coke offer coupons to consumers who bought Pepsi at certain supermarkets?
- (c) What functions did Diet Coke's advertising campaign aim at performing? Based on Lavidge and Steiner Model, analyse how consumer responded to Diet Coke's ads.

13. Discuss the functions of Advertising agency.

14. Explain the various methods for controlling and disseminating companies publicity.

15. Bring out the role of advertising in the International market place.

16. Enumerate various sales promotion strategies and practices.

### PART C — (1 × 20 = 20 marks)

#### Compulsory

17. Case Study :

The equation among soft drink competitors was almost balanced. Coke competed against Pepsi, Tab 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 just 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.

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 Diet 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 rail 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 per cent 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 promotion 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.