

**PGDM, 2019-21**  
**Integrated Marketing Communication**  
**DM-534**  
**Trimester – V, End-Term Examination: December, 2020**

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Sections	No. of Questions to attempt	Marks	Total Marks
A	Minimum 3 question with internal choices and CILO (Course Intended Learning Outcome) covered Or Maximum 6 questions with internal choices and CILO covered (as an example)	3*10  Or 6*5	30
B	Compulsory Case Study with minimum of 2 questions	20	20
			<b>50</b>

**Section A**

**Attempt all three questions. Each question carries ten marks.**

Q1. Find an example of an advertisement where a celebrity has been used. Do you think the said celebrity lent credibility to the brand? What were some of the issues associated with the celebrity endorsement of this brand? Do you think another celebrity could have been a better choice? (CILO 3)

**OR**

Q1. Develop a 15 second copy for the radio ad of a 'Premium Shampoo' as the product recently launched for the consumers and explain the logic of the creative content used for this campaign so as to make it effective to the target segment. (CILO 3)

Q2. The catalog has become an important part of the shopping lives of many consumers. Describe different groups that you think might find catalogs useful in the consumer market, and explain what aspects of the catalogs would attract them to this medium. (CILO 2)

**OR**

Q2. As the internet continues to grow in popularity, some marketers predict that the print catalogs will cease to exist, replaced by internet catalogs. Do you agree? Explain with reasons why this situation may or may not occur. (CILO 2)

Q3. Discuss various factors that have led to companies shifting more of their marketing budgets to sales promotion. Discuss the pros and cons of marketers spending more of their IMC budgets on sales promotion. (CILO 1)

**OR**

Q3. Why do you think there is not much program differentiation on different radio channels as in television channels? How does it affect radio advertising? (CILO 1)

### **Section B (20 marks)**

#### **Case study (compulsory) (Combination of CILOs)**

## **Using Advertising to Fight the War on Drugs: The Power of Social Marketing or a Waste of Money?**

*In 2003, the U.S. Government will spend over \$19.2 billion, about \$609 per second, on the War on Drugs. State and local governments will spend at least another \$20 billion. People arrested for drug law violations in 2003 are expected to exceed the 1.5 million arrests of the year 2000, with someone arrested every 20 seconds. – www.drugsense.org*

### **Introduction**

Every day, in almost every city and town across America, children are deciding whether to use drugs. Drug abuse is a process that more often than not begins in childhood. The younger the person is when he or she begins using drugs, the more likely that other serious problems, including addiction, will follow. One approach to preventing children from trying and using drugs is by helping them understand the dangers of using them and how to resist pressure from peers. For nearly two decades, the

advertising industry has been tackling the problem of illicit drug use through the Partnership for a Drug Free America (PDFA), which is a private, nonprofit coalition of professionals from the communications industry whose collective mission is to reduce demand for drugs in America. The U.S. government became involved in the use of advertising to fight the problem of adolescent drug use when the U.S. Congress approved *The Media Campaign Act of 1998* which directed the Office of National Drug Control Policy (ONDCP) to conduct a national media campaign for the purpose of reducing and preventing drug abuse among young people in the United States.

The use of media advertising to fight the “War on Drugs” is as controversial as it is well intended. Supporters of the cause cite various studies suggesting that media advertising has been successful in curbing drug use. However, critics point to other studies which conclude that anti-drug advertising has had little or no impact on drug use among young people. Moreover, the PDFA and ONDCP have also been in disagreement over the type of advertising that should be used to discourage drug use as well the extent to which other forms of integrated marketing communications should be used in the campaign. The Partnership has argued that what began as a relatively simple idea of using advertising to repeatedly deliver messages regarding the dangers of drug use has become a very complex and politicized process.

### **The Partnership for a Drug Free America –The Early Years**

In the mid 1980’s two advertising executives, Dick O’Reilly and Phil Joanou, originated the concept of using a cause campaign designed to enlist advertisers and media in a partnership to help kids and teens reject substance abuse by influencing attitudes through persuasive information. Funded by a grant from the American Association of Advertising Agencies, the two men set out to gather advice and to recruit others to the cause. Their success resulted in the formation in 1986 of what would become the largest public-service advertising campaign in history. The coalition of advertising and media people working together to combat drug use was called “The Partnership for a Drug Free America,” and was officially launched on March 5, 1987. Unfortunately, Mr. O’Reilly never got to see the immediate success the coalition would have, as he was killed in a rafting accident while recruiting new partners.

After O’Reilly’s death, James Burke, the retired Chairman of Johnson & Johnson, picked up where O’Reilly left off. Burke was quite well known in the advertising and business community for his handling of the Tylenol product tampering crisis which is often cited as one of the most successful examples of the handling of a crisis management situation. When Burke was elected chairman of the

Partnership in 1989, there had already been more than 30 TV commercials, 64 print ads and numerous radio spots produced by some of the country's leading advertising agencies. The anti-drug messages were being aired on the major broadcast and cable television networks, radio stations and in various magazines through time and space donated by the media.

While all those involved with the PDFA in the early years had good intentions, as might be expected, there were a number of problems. Many considered the early spots as "melodramatic" relying too much on scare tactics and stereotypes such as the school bus driver who snorts cocaine; African-American boys selling crack in the school yard; and the "one puff and you are hooked" messages. Academics as well as others studying the effects of drug abuse programs questioned these approaches, noting that scare tactics often have not been found to be an effective way to change attitudes and behavior. Others criticized the program for exaggeration and distortion of the facts, arguing that this detracted from the credibility of the program. Misrepresentation of facts, such as a 1987 ad claiming to show the brain waves of a 14 year old smoking pot when it was really the brain of a person in a coma, resulted in further skepticism. As a result of these criticisms, the PDFA overhauled its review process and began more closely scrutinizing the ads and commercials before releasing them. In spite of early problems, the PDFA was successful in gaining billions of dollars of pro bono time and effort from advertising agencies, as well as media time and space.

While few questioned the intentions of those involved in the PDFA, throughout the '90s, there were still those who were skeptical about the effectiveness of their efforts. Critics argued that there was no evidence to support the claim that the anti-drug ads could alter behavior. To maintain their reputation, and reduce criticism, the PDFA consistently found itself in a position whereby it was necessary to demonstrate that the ads were having an impact on drug abuse. Adding to the problem was the fact that government surveys taken during this time period showed increases in the use of cocaine and heroin by urban youth and in the use of LSD by college students nationwide.

In response to the critics, Burke and the PDFA argued that while there might not be proof of actual behavior change, there was a strong correlation between teens' exposure to the anti-drug messages and their disapproval of drug use. Burke based much of the defense of the program on research provided annually by the Gordon S. Black Corporation, a Michigan based marketing research firm that conducted the annual Partnership Attitude Tracking Surveys (PATS). In addition, Dr. Lloyd Johnston, a research scientist at the University of Michigan, who used mall intercepts of high school students to collect annual survey data for the National Institute on Drug Abuse (N.I.D.A.), concluded that

most teens remembered the anti-drug ads and reported being influenced by them. Johnston supported the program noting that “its clear things have moved in the right direction.” An editorial also appeared in *Advertising Age*, the leading trade publication in the advertising industry, in September 1996 praising the effectiveness of the Partnership’s ads and calling for more media support of its efforts. However, media support and pro bono time and space declined every year from 1991 to 1998 and those who felt that the program was effective feared that it was losing its impact because fewer young people were seeing fewer anti-drug messages.

### **The White House Gets Involved In the War on Drugs**

The U.S. government became involved in the use of advertising to fight the war on drugs with the passage of *The Media Campaign Act of 1998* which included the allocation of \$195 million per year over the next five years to fund the purchase of media time and space to deliver anti-drug use messages. The decision of the government to become involved with the anti-drug advertising effort was based on the premise that the PDFA program was effective but needed more support since donations of free media time and space were declining. This program was to be administered through the White House’s Office of National Drug Control Policy (ONDCP). The responsibility for creating the ads would be assigned to the PDFA, although they would receive no monies directly from the government. Nevertheless, the money from the government would make it possible to attain more media time and space than was being offered through public service announcements (PSAs) and other pro bono donations. However, critics noted that the PDFA would be facing a loss of autonomy and increased involvement from the government bureaucracy in exchange as a tradeoff for the additional monies to run the anti-drug messages.

The ONDCP made several changes upon becoming involved with the anti-drug advertising efforts. The office hired the Ogilvy & Mather Worldwide advertising agency to coordinate the campaign and handle the media planning and buying. Another change instituted by the ONDCP was a greater focus on market segmentation. Recognizing that all drugs (and their consequences) are not the same, the ONDCP suggested that ads should be developed with the understanding that adolescents have different beliefs and attitudes toward various drugs, their consequences, the perceived risk associated with them, and social disapproval of their use. New ads were developed taking into consideration the type of drug and its consequences and the specific target audience. Different messages were designed to appeal to specific age groups such as young people, teens, and parents as well as different geographic, socio-economic, and ethnic audiences. The ONDCP also made it clear that it would demand

more accountability and expect to see evidence showing that the money being spent on the campaign was having an impact on reducing drug use. U.S. drug czar Barry M. McCaffrey, a retired four-star general, made it clear that he wanted hard numbers to provide the campaign was working stating: “there are no points for style. We’ve got to achieve an outcome. We have to change the way Americans act.”

### **Concern with ONDCP Involvement**

Not all of the changes associated with government’s involvement in the anti-drug media campaign were perceived as positive. A number of leading business and advertising industry publications criticized the ONDCP’s involvement with the anti-drug advertising efforts. They argued that the involvement of the ONDCP would change the role and orientation of the cause and result in a much more partisan perspective. Many questioned whether the ONDCP would deal squarely with the agencies and media companies involved in the campaign, or if they would attempt to politicize the efforts. They also brought into question the assumptions and goals of the new campaign such as zero tolerance of any illicit substance being the only acceptable paradigm. Many critics were also opposed to the fact that it would be the American public who would be footing the bill for the campaign through their tax dollars.

### **Determining the Effectiveness of the Campaign**

One of the major challenges facing the ONDCP and PDFA was proving that the money being spent on the anti-drug messages was having an impact and achieving the goal of reducing drug use among young people. Both groups pointed to several research studies that they contended showed that the anti-drug advertising was working including the Gordon S. Black and Lloyd Johnston tracking studies. However, three studies were most often cited to support the large government involvement including one conducted at The Johns Hopkins University School of Medicine, a second from the Stern School of Business at NYU and the third from the University of Michigan’s Institute for Social Research. However, these studies were severely criticized by Daniel Hill in an April 1998 article in *Brandweek*, a leading advertising and marketing trade publication. In the article, Hill argued that the support for funding more anti-drug advertising was based on faulty research. He noted that the lead author of the Johns Hopkins study reported that she now had grave doubts about the research techniques used to support the conclusions that the anti-drug messages were effective. The NYU study was withdrawn from consideration for publication seeking further econometric support, and studies conducted by Lloyd Johnston were never submitted for publication and peer review. Hill also cited other critics who

contended that previous research used in the campaign was often inadequate and resulted in the development of ads that preach to the choir or insult the intelligence of the target audience.

Despite these criticisms, the ONDCP remained committed to the \$195 million in funding for advertising for anti-drug messages over the next four years, with approximately 50 percent of the effort to be targeted to adults. The funding was based on the media matching the time and space that was purchased by the government on a dollar for dollar basis, which meant that approximately \$2 billion would be spent on the anti-drug advertising campaign from 1998-2003.

### **The New PDFA/ONDCP Campaign**

In 1998 the Partnership and ONDCP began work on a new campaign that was designed to educate America's youth as well as their parents about the dangers of drug use and provide them with resistance techniques that could be used when confronted with the choice of using drugs. The strategy for the new campaign evolved around five themes:

1. Instill the belief that drug use is not as common as kids think
2. Enhance negative social consequences of using drugs
3. Enhance the positive aspects of not using drugs
4. Enhance the variety of personal and social skills needed by youth
5. The positive use of time

The first year of the campaign consisted of three phases. The first phase involved a 12 city test of \$20 million in paid anti-drug ads that were evaluated through focus groups, telephone surveys, and community feedback. The second phase included \$65 million in paid media advertising beginning in the summer of 1998, while the third phase consisted of \$93 million in paid integrated media, including high impact programs such as sports and entertainment events, "non traditional media" such as movie and video trailers, brochures, strategic ad placements, and Internet web sites. While there was no rough testing of print ads or commercials, some focus group pre-testing of finished ads was conducted to prevent against some of the problems that occurred in the early days of the PDFA.

The new strategy was seen by many as a very positive step. For example, Richard Earle, author of the book *The Art of Cause Marketing: How to Use Advertising to Change Personal Behavior and Public Policy*, welcomed the new strategy, praising the integrated marketing effort, the targeting, and the consistent theme that carried across all media. Earle particularly liked the use of TV and print advertising

to drive viewers to the ONDCP and PDFA websites and the use of informational brochures. He predicted that the campaign would be very successful.

### **The ONDCP Decides To Link Drug Use With Terrorism**

In early 2002 John P. Walters was appointed as the new head of the ONDCP. However, even before taking office Walters had expressed concern over the type of ads that were being used to fight the war on drugs. In the fall of 2001, following the September 11<sup>th</sup> terrorist attacks on the World Trade Center in New York City, the PDFA conducted surveys with parents and kids and found that they believed there was a connection between drugs and terrorism. The Partnership recruited the Grey, New York agency to produce a set of PSAs to educate parents and kids about the link using footage of President Bush, and then planned to follow with more hard-hitting spots. However, at the same time, the ONDCP had directed the Ogilvy & Mather agency to begin working on ads that would use an even harder approach. In December of 2001 the PDFA presented some of its early concepts for ads focusing on the link between drugs and terrorism to Walters and the ONDCP staff. However, the ONDCP decided that they wanted “edgier” creative that would break through all of the other patriotic ads being run following the tragedy of September 11<sup>th</sup>. The Partnership said it never heard back from the ONDCP on its plans for the terrorism-related ads, while the drug office said the PDFA withdrew from the process. Meanwhile, Ogilvy was given the green light to proceed with the development of a campaign linking drug use with the support of terrorism that would be done outside of the normal channels involving the PDFA.

The first ads in the campaign ran during the 2002 Super Bowl, and took advantage of the public’s outrage over the terrorist attacks on the World Trade Center. The commercials featured footage of assault weapons, duct tape, and explosives and implied that the weapons used by terrorists were funded by drug sales in the U.S. Some groups were critical of the ads and the government’s effort to draw a connection between drug money and terrorism, arguing that it was unfair to blame nonviolent drug users for the actions of terrorists. However, the director of the campaign for the ONDCP described the reaction to the first set of ads as phenomenal, noting that it generated debate on the drug issue. A survey sponsored by the National Parents’ Resource Institute for Drug Education found that 74 percent of students surveyed indicated the terrorism ads made them less likely to use drugs.

Eight months after the first ads ran, the ONDCP followed with another round of ads that were designed to refute the notion that drug use is a victimless crime and link drug use to crime and terrorism. The drug office noted that viewers of the initial ads had a difficult time believing that the



drug-terrorism link applied to marijuana purchases. Thus, the second set of ads more closely showed the connection between the use of pot and terrorism. One of the commercials began with a pretty young woman buying a dime bag of marijuana and ended with a child being shot in drug-warfare crossfire. Another linked a marijuana user to various parties in the supply chain and ended with a connection to a drug cartel.

Not everyone was in favor of the ads linking drug use with terrorism including the PDFA whose vice chairman-executive creative director, Allen Rosenshine, who stated that they violated a basic premise of consumer advertising by telling people “what they are doing is stupid and bad.” Some critics of the drug/terrorism ads suggested that they created a false paradigm that terrorism is caused by drugs and not the illegality of drugs. Groups such as the National Organization for Marijuana Legalization noted that the ads argued more for decriminalization of certain drugs than abstinence. However, the ONDCP felt that the point of the ads was summarized quite well by the onscreen message at the end of each spot: “Drug money supports terrible things. If you buy drugs you might too.”

### **Problems Develop Between the PDFA and the ONDCP**

The disagreement over the drugs and terrorism ads was indicative of the tension that was developing between the ONDCP and the PDFA over the creative direction of the anti-drug campaign as well as a number of other issues. The Partnership was becoming frustrated with the long and drawn out creative approval process mandated by the ONDCP, as the government agency had developed a behavioral-change expert panel consisting of a group of 10 psychologists, sociologists and advertising experts who provided feedback on how effective ads were likely to be. The panel was part of what the PDFA viewed as a “Byzantine” 18- step creative approval process that could take nearly six months.

By the fall of 2002 the battle between the PDFA and ONDCP had escalated and the tension between the two groups was very high. John Walters was openly critical of the anti-drug campaigns, stating that the efforts over the past few years had failed, and suggested that the campaign was in need of a complete overhaul. He offered support for his argument by citing a report released by a consultant showing the results from a two year study on the effectiveness of the campaign. The research concluded that the anti-drug ads targeted to adults were effective, while those aimed at kids were not and may have even have had negative effects. For example, females in the 12-13 age group who did not use drugs indicated that the ads made them curious to try them. Many government officials were both concerned and angry, calling for a cut in the programs. While Walters wanted to keep the same budget

allocation, sources noted that he wanted to replace the PFDA and pay for creative services rather than relying on pro bono efforts. He also demanded that all commercials be tested for effectiveness prior to their showing, noting that 65 percent of ads were not pre-tested because they were produced too close to airing for testing to occur.

The PDFDA and ONDCP blamed each other for the problems. The ONDCP claimed that the PDFDA was uncooperative and allowed ads to be created that were not tailored to the goals of the program, which resulted in changes and delays or ads having to be dropped. The creative was also attacked for being too “soft” and “indirect”. The drug office also wanted more input into the creative process, and wanted to be allowed to use just one creative agency, arguing that working with as many as 62 agencies was too cumbersome. The PDFDA countered with its own list of criticisms of the ONDCP which included its bureaucratic approval procedures, its failure to listen to the PDFDA, and the office’s meddling into the creative process despite its lack of experience in this area. The PDFDA also complained that only \$130 million of the budget was being allocated to media advertising while the remainder was being spent on research and integrated marketing efforts. PDFDA vice chairman Allen Rosenshine testified at a government hearing that while the anti-drug campaign originated with “an elegantly simple vision, today it attempts to adhere to an unwieldy theoretical construct of a fully-integrated social marketing campaign.” Rosenshine criticized the campaign as being too complex and attempting to achieve 19 different communications objectives via an integrated communications plan involving celebrities, entertainment content, on-line events, corporate involvement, corporate sponsorships, and more. The PDFDA wanted a return to spending most, if not all, of the money on media advertising, arguing that the integrated tools were less effective. The drug control office countered that 87 percent of the funds spent in 2001 went to traditional media advertising while the PDFDA said the number was closer to 70 percent.

PDFDA officials claimed there were political motives involved in the campaign as well, and that the government wanted the Partnership phased out in favor of the Ad Council. The PDFDA also charged that politics were involved in the government’s decision to re-appoint Ogilvy & Mather to oversee the campaign and purchase media. In 2002 the agency agreed to pay \$1.8 million to settle government allegations that its employees altered time sheets and billed for items that were not allowed under government contracts. Some top PDFDA officials believed that because Ogilvy had created the anti-terrorism campaign for the ONDCP, they were given preferential treatment.

### **The ONDCP and PDFDA Move Forward**

While the PDFA and ONDCP were still at odds with one another, both parties recognized that they needed to work on resolving their differences if they wanted to continue to receive government funding to support the anti-drug advertising program. One thing both groups did agree upon was that cuts in the appropriations for the campaign had negatively impacted its effectiveness. From its starting point of \$195 million/year, the budget was cut to \$180 million in 2001 and to \$150 million in 2002. In March 2003, the ONDCP announced that it would end the controversial drugs-and-terror ads and change the emphasis of the anti-drug campaign to focus more on youth (as opposed to parents) in an effort to get the U.S. Congress to extend funding for the program. The ONDCP also announced that it would end its \$8 million annual study to measure the effectiveness of the campaign. The PDFA had argued that the findings of this study conflicted with other government research and duplicated the Partnership's own strategic and effectiveness work. The shift in strategy meant that 60 percent of the media buy would be directed toward youth oriented media—the same percentage it had previously directed to adults. The objectives of the advertising campaign would also change, with the emphasis now focusing on halting drug use among kids already using drugs rather than attempting to deter them from starting.

The shift in strategy clearly represented an attempt by the PDFA and the ONDCP to present a unified front on the campaign. Both organizations realized that the bickering between the two threatened future funding, and that the dropping of the ads linking drugs with terrorism and the evaluation studies funded by the ONDCP would lead to less tension. Still to be determined was the control over the creative and the media budget allocation as the PDFA wanted more monies to be allocated to media advertising and less to other forms of communication. It was expected that the funding would be approved by Congress, albeit with language limiting the drug office's ability to go outside the PDFA for creative, and a requirement that the Ogilvy media buying contract be re-evaluated. Later in the year, The House Appropriations Committee approved the \$150 million budget, but required that 77% be spent on media buying.

In September 2003, the Senate voted to slash \$50 million from the anti-drug advertising campaign, cutting the total amount by a third to \$100 million, citing previous reports questioning the campaign's effectiveness. The committee also included language in the bill that would require 80 percent of the media campaign spending be dedicated to media advertising. Both the PDFA and the ONDCP expressed disappointment in the budget cuts. In November of 2003, the White House drug office announced that Ogilvy & Mather would not have its contract renewed, and that the media buying would be put up for review. However, Ogilvy was informed that they would be allowed to reapply for

the contract. A few months later the U.S. Attorney's Office announced that charges were being brought against one former and one current employee of Ogilvy & Mather for defrauding the government and overcharging the White House Drug Office for work done on the account. The charges came nearly two years after Ogilvy settled for \$1.8 million with the government on civil charges.

In January 2004, the findings of a study commissioned by the National Institute on Drug Abuse (NIDA) were released which concluded that the advertising of the ONDCP has had little impact on its primary target: America's teenagers. The study, which was conducted by the University of Pennsylvania's Annenberg School of Communications and the Westat research firm, concluded that "there is little evidence of direct favorable advertising campaign effects on youth." The report, which was titled "Evaluation of the National Youth Anti-Drug Media Campaign: 2003 Report of Findings," noted that the anti-drug advertising campaigns had a favorable effect on parents but not on children, whose illicit drug use is the focus of the ads. However, the ONDCP officials had questioned previous NIDA reports, claiming that they surveyed a smaller number of youths than the long-running University of Michigan's "Monitoring the Future" surveys. A December 2003 release of the Monitoring the Future report showed an 11% decline in drug use by eighth, 10<sup>th</sup> and 12th graders between 2001 and 2003. Spokespersons for both the PDFA and the ONDCP attributed some of those results to the ad campaign. However, officials at both organizations recognized that the debate over the effectiveness of the anti-drug ads would continue and they would have to continue to argue their case to avoid further cuts in government funding for the campaign.

### **Discussion Questions**

1. Evaluate the creative strategy used by the Partnership for a Drug Free America in its advertising campaign, particularly with respect to the use of strong fear appeals.
2. Discuss the market segmentation strategies used by the PDFA and ONDCP in the anti-drug campaigns. Which of these segmentation strategies would be most likely to be effective?
3. Much of the controversy surrounding the anti-drug advertising campaigns has involved the determination of the effectiveness of the ads. Evaluate the various approaches used to determine the effectiveness of the anti-drug ads. What types of measures should be used to evaluate the effectiveness of the campaign?

4. Evaluate the advertising campaign developed by Ogilvy & Mather for the ONDCP linking drug use with terrorism. Do you think these ads were an effective way of changing the attitudes and behavior of young people with regard to the use of drugs? Why or why not?