

PGDM (RM), 2016-18

INTEGRATED MARKETING COMMUNICATION

RM 404

TRIMESTER – IV, End Term Examination: September 2017

Time allowed: 2 Hrs and 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	Marks
A	3 out of 5 (Short Questions)	5 Marks each	3*5 = 15
B	2 out of 3 (Long Questions)	10 Marks each	2*10 = 20
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

Attempt any three questions. Each question carries five marks.

Q1. It has been observed that companies that spend the most on advertising do not necessarily achieve the highest brand value for their products. Sometimes, those who spend very little are able to achieve this objective. Explain what factors may lead to these results.

Q.2. Discuss the various reasons sales promotion has become so important and is receiving an increasing portion of marketer's promotional budget. Illustrate the same using a suitable example from industry.

Q3. While most traditional forms of advertising and promotion have been experiencing a decline in expenditures, outdoor has been an exception. Ad spending in outdoor has actually seen a gain over the past few years. Discuss with an example.

Q4. Under what circumstances Reach is compromised over frequency? Explain the same using a suitable industry example.

Q5. Recollect an ad that used humor appeal to make it's communication effective. What are the limitations of using such appeals?

Section B

Attempt any three questions. Each question carries ten marks.

Q1. Compare and contrast the effectiveness of the recent advertising campaigns (Television Commercials) used by Nestle and Patanjali Groups for their product 'Noodles'. Which campaign in your opinion had a longer recall and why?

Q2. Companies often attempt to motivate the salespersons in various ways, including offering them monetary incentives. Following up on this, give some examples of how integrating other program elements might also be effective in motivating the sales force.

Q3. 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.

Section C (15 marks)

Case study (compulsory)

Chapter Case Study

TEL-SOFT SOLUTIONS: MAKING THE SALE³¹

When Vicki Cambridge reached her office, she had a message from Mike Smith, the regional sales manager, to meet him in his office regarding the ABC Telecom order. Vicki Cambridge is a senior sales associate for Tel-Soft Solutions Inc., a firm that markets software designed for telecommunications companies. The ABC Telecom

order represents a multimillion-dollar contract for Tel-Soft and would help ABC Telecom boost its productivity levels and revenue for the region. To prepare for the meeting, Vicki reviews her sales call report notes on the ABC Telecom account.

Tel-Soft Solutions

Tel-Soft provides software solutions to large telecommunications firms and has an established track record for delivering an exceptional standard of quality and high levels of customer service. This excellent reputation allows Tel-Soft to charge a substantial premium, ranging from 10 to 20 percent above the market leader.

The telecommunications software services market has been dominated for two decades by this market leader. Tel-Soft holds the second position in the marketplace, with a considerably lower but growing market share. Only one other competitor, an aggressive, small, low-price player, holds a significant market share; this provider has made inroads into the market in the past several years through its aggressive sales tactics.

Tel-Soft has just built a new facility and hired 50 new software programmers. Therefore, the company must generate new business to meet its higher financial goals; even more important in the short run, it must keep the new programmers working on interesting projects to retain them.

ABC Telecom

ABC Telecom is a division of a major U.S.-based telecommunications firm that provides voice, data, fax, Internet, and videoconferencing services. Its purchasing department negotiates contracts for software services and coordinates the interface among a variety of members from different departments. The business environment for telephone services has become highly competitive in recent years, leading to tight budgets and higher levels of scrutiny of the value added by vendors. Competition is fierce, as large numbers of end-user customers are considering new phone providers, which results in considerably lower revenues.

ABC Telecom has been consistently buying software development services from the market leader since 1991 and is generally satisfied with its service. A recent change in corporate leadership, however, has increased concerns about its overreliance on one vendor for a particular service. Also, because of the difficult economic climate, the company is concerned about the cost of software services and whether it is necessary to provide such a high service level.

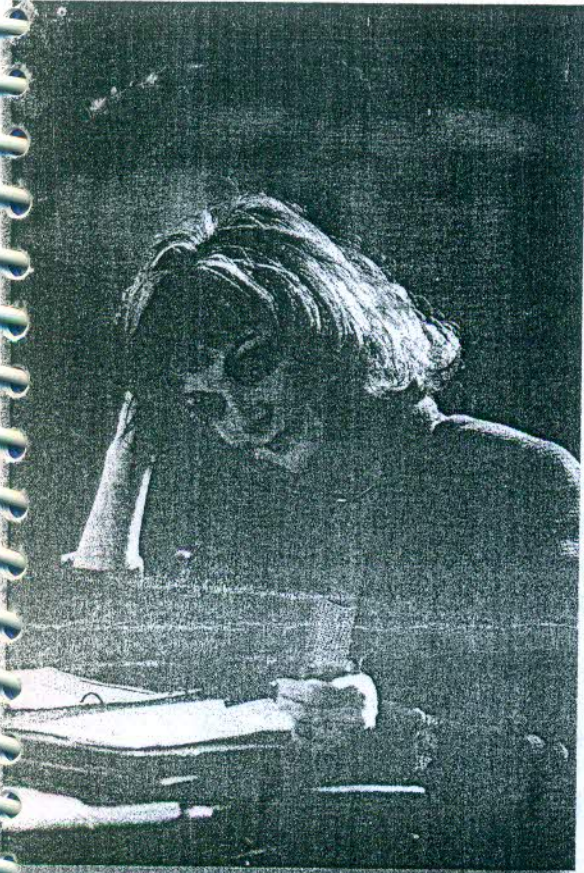
Vicki's Call Report

A call report is like a diary of sales calls made to a particular client. The notes in Vicki's ABC Telecom file pertaining to the current negotiations began on June 4:

June 4 I contacted Bethany O'Meara, Chief Purchasing Officer at ABC Telecom, to introduce myself to her and get a sense of what their future software needs might be. She told me that the slowed business climate had caused ABC Telecom to institute a program for increased efficiency in operations and that they would be looking to negotiate a new contract for software solutions. She gave me some insights into the technological aspects of their needs.

June 18 Met with Jon Aaronson, Head of R&D, to explain our productivity-enhancing solutions. Went into considerable depth explaining how Tel-Soft could service their needs and learned what they were looking for in a provider. I went over some specific product specification issues, but Jon did not seem impressed. But he did ask for a price and told me that the final decision rested with Brad Alexander, the Chief Financial Officer.

July 2 Presented to Bethany O'Meara and Jon Aaronson. They first asked about the price. I gave them a quote of \$3.3 million. They suggested that



What are the key points Vicki should make in her presentation?

other services were much cheaper. I explained that our price reflected the latest technology and that the price differential was an investment that could pay for itself several times over through faster communication speeds. I also emphasized our reputation for high-quality customer service. While the presentation appeared to meet their software needs, they did not seem impressed with the overall value. I also sent a copy of the presentation in report form to Brad Alexander and attempted to get an appointment to see him.

July 9 Contacted Jon Aaronson by phone. He told me that we were in contention with three other firms and the debate was heated. He stated that the other firms were also touting their state-of-the-art technology. Discussed a lower price of \$3.1 million. Also encouraged him to visit Tel-Soft headquarters to meet with the product manager who oversaw the product development efforts and would manage the implementation of the product. He wasn't interested in making the two-day trip even though it would spotlight our core competencies.

July 15 Received a conference call from Brad Alexander and Jon Aaronson to discuss the price. Brad said the price was still too high and that he could not depreciate that amount over the life of the software and meet target levels of efficiency. He wanted a final quote by August 6.

The Final Pitch

Vicki prepared for her meeting with Mike by going over her notes and market data about the competitors. Mike's voicemail indicated that they would be meeting to put together their best possible proposal.

Questions

Help Vicki prepare her sales presentation.

1. Who should be at the presentation?
2. How should Vicki start the meeting?
3. What are the key points she should make in her presentation?
4. What reservations should she expect? How should she handle them?