PGDM, 2014-16

Integrated Marketing Communications

DM-532

Trimester – V, End-Term Examination: December 2015

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. In case of rough work please use answer sheet.

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

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.

Q2. Compare and contrast the effectiveness of the recent advertising campaigns used by Coke and Pepsi. Which campaign in your opinion had a longer recall and why?

Q3. Some marketers and PR people believe that public relations should replace advertising as the primary means of introducing new products. Assuming the statement to be true, support your answer with an example of a recent new product launch.

Q4. Discuss any trade contest used by a company in the recent past. What were the reasons of its failure?

Q5. 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?

Section B

Q1. Assume that you have been hired as an account planner by an advertising agency and assigned to work on the advertising campaign for a new brand of 'Anti Ageing Cream'. Describe the various types of general and product-specific pre-planning input you might provide to the creative team.

Q2. Today, companies such as PepsiCo, Toyota and others are using sponsorship of action sports events to reach Gen Y consumers. Discuss the various ways marketers can integrate various sales promotion tools into their sponsorship of these events.

Q3. Suggest a major brand promotion campaign that could be created for 'Patanjali' brand of noodle so as to compete effectively with Nestle's 'Maggi' which has been a brand leader in the same segment. Discuss the relative importance and effectiveness of this campaign.

Section C

Case Study (Compulsory): 15 marks

Dr. and the Ghostly Persuaders:
Multi-Step Flows of Communication in Medical Markets

Martin Evans

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Medicinal Compound Ltd is the pharmaceutical arm of *Scaffold*, a major multinational conglomerate. Its medical research department, headed by Dr. Lily Pink, has developed a new drug treatment for a range of eating disorders. The new drug has been branded '*Bulinexia* '. You, Dr. Hook, have recently been appointed brand manager for *Bulinexia* and have been given responsibility for launching the new drug. Although you have a year's experience as a marketing assistant in *Scaffold's* agricultural chemical division and have completed a marketing course, based on the excellent text *Marketing*, by Baines, Fill and Page, you feel you need more help with specialised pharmaceutical marketing. Luckily, your predecessor Dr. Feelgood has given you his marketing planning file and on reading this you spot useful links with the theory you remember from chapters 11 and 12 of your course text. You also know that there are big budgets for pharmaceutical marketing: in the US for example $22 **billion** is spent on marketing to medics per year (Marcus, 2007)

Dr. Feelgood's file contained five sub-sections summarising approaches he had used for previous *Medicinal Compound Ltd* drug launches:

a) Medical students were targeted via medical presentations attached to free lunches at which free stethoscopes were distributed. But Feelgood had left an article in this section of his file suggesting that it had become clear that students were increasingly uneasy about not always knowing that these presentations were sponsored by those drug companies that had vested interests in the treatments on which they presented. Feelgood had even read that several US Universities have already banned pharmaceutical reps from educational and clinical areas and some have banned gifts and free lunches completely (Marcus 2007). Feelgood had not used his highlighter pen on the observation concerning student cynicism.

b) Identification of the more innovative medics in hospitals and general practice. During their visits, sales representatives would explore prescribing habits with the medics themselves and also with pharmacists near GP surgeries and in-hospital pharmacies. Those medics who frequently prescribe new drugs early in the product life cycle of those treatments were categorised as opinion leaders within the medical community and targeted as an important market segment to speed the diffusion and adoption of new drugs. The 'down at the doctors' approach was supported in Dr. Feelgood's file from an old article by a Michael Rawlins in The Lancet (1984) in which he described how medics in UK are targeted by the pharmaceutical industry and are classified as either conservatives or risk takers on the basis of prescribing habits. Rawlins had even accused some medics of verging on corruption because they expect rewards in return for what might be needless prescribing. But Feelgood had not used his highlighter pen over these passages in Rawlins' article.

c) Those medics on Feelgood's database who have the highest innovativeness score were targeted via 'events'. Typically they were invited to attend long weekends in the Caribbean or Switzerland at events billed as a 'Dr. and the Medics Conference'. Expenses would be paid by *Medicinal Compound Ltd* and these would include 1st class travel for the medic and partner and in the case of Switzerland, travel would be via the Orient Express luxury train. Feelgood had picked this up from the launch of a drug called *Flosint* some years before. At the events the medics would receive lavish treatment and even be pampered via therapeutic massages in health spars. Feelgood picked up this idea from a Parliamentary Select Committee inquiry (2005) into pharmaceutical marketing during which Professor Healey (2005), a senior medic with experience of both sides of the pharmaceutical fence, outlined a range of marketing techniques used by the industry. At these 'events' there would also be a series of presentations by *Medicinal Compound Ltd* of how the new drug had been found to be effective. Medics would be given 'thank you' gifts such as pens and mugs emblazoned with the drug logo. In another article in Feelgood's file, the strict rules on gifts and hospitality within pharmaceutical marketing are shown to be somewhat weak: 'in the Munich European Conference for cardiologists the big companies hold quizzes…doctors sit on stools at a table, fingers on buzzers, or crowd round the posters filling in questionnaires about the company drugs...it is everyone a

winner...many doctors wander around the stands with bags crammed with booty' (Guardian 2004). It is not surprising that Feelgood had gleaned from Healy's evidence to the Committee and from the article by Marcus (2007) that there is an increasing awareness on the part of medics that they are sometimes used to influence others in the adoption of new drugs. Feelgood had not used his highlighter pen on the observation concerning medics' cynicism.

d) What particularly intrigued Feelgood was a potentially much more sophisticated approach which he had used to great effect on his last product launch before moving on (incidentally to sit on the pharmaceutical industry's ethical standard committee). He had managed to restrict the amount of data from the trials of that drug to be released to the academic researchers who had agreed to analyse and write up the trials for publication in peer reviewed refereed medical journals. The point being that if medics were not especially influenced by freebies, travel and lunches, what really influenced them was the medical evidence about new drugs from randomised control trials as published in the medical journals such as *The Lancet* and the *British Medical Journal*. A paper in his file confirmed that other drug companies sometimes managed to influence how these articles were written, for example, by not releasing the full trial data, so the results might be distorted. This was an implied allegation in the case for P&G's *Actonel* brand (Baty 2005).

e) A related approach you now find in Feelgood's file was described by Healy (2005) as when drug trials are actually 'ghost' written by the pharmaceutical company. Healy described a paper he was sent by a drug company but with his name as author, yet ready written by the drug company. He declined the offer but wrote a paper of his own based on the data to which he had access. The drug company wanted the more 'commercial' points included in their own paper and in the end a paper was published that included these but with a different medical author. Healy was not sure how much that very senior medic had been paid. All of this was double highlighted by Feelgood in his file. Indeed most drug trials are funded by the pharmaceutical industry and hardly any are state-funded. Feelgood kept other evidence about 'ghost written' drug trials: Professor Murray (2004) of the Institute of Psychiatry was reported as stating 'academics, particular academic pharmacologists, have somehow begun to believe that it is acceptable to present company data as if they were a hired gun' (2005). But according to Healy, this can bring

into question the validity of the research paper, even though it appears in a reputable medical journal. Feelgood had not used his highlighter pen on these last observations.

All of this leaves you, Dr. Hook, with some decisions to make. Your contract confirms that your performance is partly related to sales of the drug for which you are brand manager but at the same time your friend, Dr. Robert, who works for a different pharmaceutical company, urges you to act ethically as well. You have also discovered that the Chief Executive of MIND (Brook, 2004) resigned from the industry's regulatory committee (*British Medicines and Healthcare Products Regulatory Agency*) partly because he saw a tension between safeguarding the public and the power of the pharmaceutical industry in maintaining the status quo. Professor Andrew Herxheimer also expressed concern over this tension (2005).

Questions

Q1. How should Dr. Hook evaluate the techniques summarised in a) to e) in an ethical way, and what decisions should she make for the launch of *Bulinexia*?

Q2. Explore the use of opinion leadership within multi-step flow of communications.

Q3. Examine the difference between opinion leaders and opinion formers.