

PGDM (IB), 2015-17
Integrated Marketing Communication
IB-512

Trimester – V, End-Term Examination: December 2016

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**. 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

This Section contains five questions. Attempt any three questions. All questions carry equal marks. (3*5 marks=15 marks)

Q1. 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.

Q2. Discuss some commonly used methods in consumer promotions in the FMCG product category taking any two products of your choice.

Q3. Discuss any trade contest used by a company in the recent past. What were the reasons of its failure?

Q4. 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.

Q5. Why do you think there is not much program differentiation on different radio channels as in television channels? How does it affect radio advertising?

Section B

This Section contains three questions. Attempt any two questions. All questions carry equal marks. (2*10 marks=20 marks)

Q1. 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.

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.

Q3. A number of companies have experienced public relations problems resulting from product recalls, product failures etc. Describe some of the steps companies can take to minimize the impact of this negative publicity.

Section C

Case Study (Compulsory): 15 marks

Talking to Heidi: Choosing the Right Communications Mix

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So what does Heidi mean? Heidi is an acronym for young women who are highly educated, independent, degree-carrying individuals. This segment is growing and has the potential to spend a lot of money. Why is that? It is because they are part of the 'me' generation and make decisions based on their own individual wants and needs. As the Sunday Times (January 2006) revealed "These single-but-not-sad disco dollies are brand sluts and wear masstige fashions (mass products with designer prestige — such as Stella McCartney at H&M). They're also valuephrenics — they scrimp some of the time, but will splash out on a Prada bag (because they've been brandwashed)".

So what is the best way to communicate to this segment? A group that has to balance work and play and doesn't have a lot of time to waste. Whatever message you wish to communicate it needs to be to the point and let the Heidis out there know exactly what you are trying to say.

A typical Heidi is aged between 25-35 years and loves to socialize. To target this group successfully the right communications mix needs to be used. The use of television to target messages might be a futile activity if Heidi is out with friends in the evening. If Heidi does stay in, what will she be watching, an episode of the Hills on MTV or Desperate Housewives on Channel 4? Effectively communicating the message to Heidi means organizations need to consider the key 'touch points' they have with her.

Television advertising at the right time, in between the right programme may be one part of the communications mix. However there are other communications tools that could potentially be more effective and more personal.

The use of email is another communications tool that could be used. Imagine Heidi at work. During her lunch or coffee breaks she needs to find the perfect pair of shoes for her night out and time is of the essence. A potential way to communicate your campaign or any offers you might have is to email her. Once the email arrives she is able to examine all the shoes on offer without even moving from her desk. She is able to find out your product offerings, the cost, the delivery time, the colour and shoe sizes available. This is a more effective and more personal tool than advertising which is a non-personal form of communication and the message cannot always be as individualized as Heidi would want it.

Another key consideration is that Heidi buys from a range of organizations, from the high street to more exclusive shops where top designer brands are sold. This means that Heidi is not necessarily brand loyal but will purchase depending on where she is going, with whom and when. When going to the gym, the high street will suffice for clothes. However if Heidi is letting her hair down on Saturday night and will be visiting a cocktail bar, followed by a dance in the night club, branded clothes and accessories are a must. This has implications to the marketer as Heidi's ever changing needs must be fulfilled and so the message has to be tailored accordingly. However, more importantly, the medium through which the message is conveyed is key. The use of print advertising particularly

fashion magazines will be referred to by Heidi when making these decisions. She will be thinking about what is trendy, what is most fashionable, what the celebrities are wearing, and this will impact on her own purchases. The use of magazines is one method which could also be integrated with a direct response campaign. These integrated methods would ensure that the business can reach Heidi with its message. Furthermore, by using direct response media, this will mean that direct contact is also being made with Heidi, thus creating a dialogue with her.

Things to consider when deciding on the ultimate communications mix for Heidi:

- Her disposable income is between £30,000 - £40,000;
- Heidi is happy to make use of store cards, credit cards and loans;
- Heidi is marrying later: The average age that women marry increased to 33.6 years for women (Office of National Statistics 2007);
- Social networking is a big thing, especially the use of Facebook and Bebo.

Another equally important consideration is that Heidi is independent. What are the implications of this to the marketer? Firstly if Heidi is making her own decisions she will also have full control over her finances and so in turn what she consumes. It is likely that even as an independent young woman her reference groups may be a mixture of friends and work colleagues. Her wider reference groups may consist of celebrities and fashion models that might also inspire her consumption. This then influences an organizations choice of marketing mix since whatever tool is chosen it needs to be endorsed by the right celebrity and the right celebrity is forever changing.

All of these factors are vital and will impact on Heidi's decision-making when choosing what product to buy or what service to use. So an integrated campaign, that can make use of a number of communications tools, will have the most impact and will be noticed by the busy but ever trendy Heidi.

In summary, when choosing the right communications mix for Heidi it is not a straightforward task. This young, savvy, independent and career-minded target group knows what it wants. Heidis are not going to be led aimlessly by marketers and so traditional forms of communication may not be as effective. In fact, in today's marketing arena where media is more fragmented and the choices are varied they will decide on what they respond to or not and it could be that more personal communications and the use of advocacy is an important consideration. Without it, the marketer could be missing out on a very lucrative market that has potential to grow.

Questions to consider:

1. You are a cosmetics company aiming a new revolutionary skin cream at Heidi what would you need to consider before deciding on your choice of communications mix?
2. You are to develop a communications campaign for this skin cream aimed at Heidi, taking account of the considerations you have identified in question one what tools do think would be most appropriate and why?
3. Outline the benefits of undertaking an integrated marketing communications campaign with Heidi rather than just using tools in isolation.