

INDIAN INSTITUTE OF MANAGEMENT, AHMEDABAD
PGP-II: Slots IX-X (2015-16)

ADVERTISING AND SALES PROMOTION MANAGEMENT

Course Instructors: Prof. Abhishek (Ext: 4883) and Guest Faculty from Industry

Academic Assistance: Mr. S. Balamoorthy (Ext: 4950)

I. OBJECTIVE

The objective of this course is to provide participants with an understanding of the decision processes in marketing communications with the emphasis on advertising and sales promotion from marketing manager's point of view. Apart from providing analytical skills for dealing with advertising and promotional decisions, the course will also attempt to explore some of the existing body of research regarding the way advertising and promotions works, and discuss their managerial underpinnings. The course is likely to be a useful elective for those wishing to specialize in marketing and/or advertising.

The course contents and the pedagogy have been designed with significant inputs from Guest Faculty from Industry.

II. COURSE CONTENT - A BRIEF OUTLINE

The course will attempt to cover the following broad topics:

Topics

- 1. Introduction**
 - ◆ Understanding the context
 - ◆ Segmentation, Targeting, Positioning and Communication Strategy
- 2. Advertising Management**
 - ◆ Theoretical Foundations: Research and Applications in Advertising
 - ◆ Determining Goals and Budget
 - ◆ Media Strategy and Planning
 - ◆ Message Strategy and Execution
 - ◆ Advertising Research
- 3. Sales Promotion Management**
 - ◆ Promotion of Consumer Packaged Products
 - ◆ Services Promotions
 - ◆ Trade Promotions
 - ◆ Online Promotions
- 4. Special Topics in Advertising and Promotion**
 - ◆ To be announced in consultation with students

Participants are expected to recall the basic learning on topics like segmentation, targeting, and positioning as well as consumer behaviour from compulsory course in marketing. To keep abreast with the current trends and practices in the industry, presentation-cum-discussion and workshop by guest speakers will be scheduled.

III. PEDAGOGY

This course will utilize a mix of learning methods, viz. case discussions, participant's presentations, guest-faculty presentations, and workshop and carry home assignments. Majority of the classes will be conducted in a seminar mode, wherein the emphasis will be on self-learning and the instructor(s) will act as facilitator(s) in the process.

Participants are required to form six groups for the course. Each group will consist of 5 PGPs, 1 PGP-ABM, and 1/2/3 exchange students. **The group names should be submitted before the second session begins.**

IV. COURSE MATERIAL

Text-Book :

Effective Advertising – Understanding When, How, and Why Advertising Works by Gerard J. Tellis, SAGE Response Books: (EA)

Few copies of the book titled "*Planning for Power Advertising*" by Anand Bhaskar Halve are kept on reserve which may be issued by each group as a reference book for the term.

"*Advertising & Promotions: an IMC Perspective*" by Kruti Shah & Alan D'souza, Tata McGraw Hill, will also be kept on reserve for reference.

Apart from the cases and notes/articles provided in this casemat, additional cases and notes/articles (as and when provided by guest speakers) will be distributed from the Case Unit.

V. EVALUATION

The evaluation will consist of the following components:

<u>Components</u>	<u>Weight</u>
Class Participation	15%
In Class Presentations	10% (5% + 5%)
Assignments	20% (5% + 15%)
Group Project	20% (10% + 10%)
End-term Examination	35%

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ADVERTISING AND SALES PROMOTION MANAGEMENT
PGP-II: Slots IX-X (2014-15)

SESSION-WISE OUTLINE

Session No.	Date/Day	Topic (T) / Case (C) / Essential Reading (ER) / Suggested Reading (SR) / Guideline for Preparation (GP) / Effective Advertising (EA) / Kotler, Keller, Koshy, Jha (KKKJ)
1	10 September (Thursday)	T: Introduction: Understanding the Context ER: Organizing for Advertising and Promotion: The Role of Ad Agencies and Other Marketing Communication Organizations, Chapter 3 from “Advertising and Promotion” by George E Belch, Michael A Belch, and Keyoor Purani SR: Chapter 16 & 17 from Marketing Management (14 ed.) by KKKJ
GROUP NAMES TO BE SUBMITTED BEFORE SECOND SESSION STARTS		
2	10 September (Thursday)	T: Introduction: Segmentation, Targeting, Positioning and Communication Strategy. C: Evolution of Fortune Brand Communications of Adani Wilmar ER: Advertising Planning and Decision Making, Chapter 2 from “Advertising Management” by Rajeev Batra, John G. Meyers, and David A. Aaker SR: Chapter 16 & 17 from Marketing Management (14 ed.) by KKKJ GP: 1. Evaluate segmentation & positioning strategy for Fortune brand. 2. Evaluate the present ad campaigns of Fortune and competitors. 3. Propose a design for future campaign.
3-4	11 September (Friday)	T: Theoretical Foundations: Research and Applications in Advertising (In-class Presentations by Groups)* ER: Relevant Articles/Chapters <ol style="list-style-type: none"> 1. Understanding Advertising Effectiveness from a Psychological Perspective: The Importance of Attitudes and Attitude Strength from “The SAGE Handbook of Advertising”, edited by Gerald J. Tellis and Tim Ambler 2. Market Effects of Advertising Intensity, Chapter 6 (EA) 3. Advertising’s Dynamic and Content Effects, Chapter 7 (EA) 4. Advertising as Persuasion, Chapter 8 (EA) 5. Argument in Advertising, Chapter 9 (EA) 6. Emotion in Advertising, Chapter 10 (EA) <i>*Check Assignment guidelines</i>
5-6	17 September (Thursday)	T: Goal Setting C: Northwestern Mutual Life Insurance Company (A) ER: Setting Advertising Objectives, Chapter 4 from “Advertising Management” by Rajeev Batra, John G. Meyers, and David A. Aaker SR: “How Advertising Works: What Do we really Know?” By Demetrios Vakratsas and Tim Ambler, <i>Journal of Marketing</i> (1999) GP: Questions given at the end of the case
7-10	18-19	T: Media Strategy and Planning

	September (Friday-Saturday)	<p>(Presentation-cum-Discussion by Guest Faculty Mr. Praveen Tripathi from Magic9 Media & Consumer Knowledge Private Ltd.)</p> <p>C: Champion Food (TO BE PROVIDED LATER)</p> <p>ER: 1. Media Mix Decisions, Chapter 7 from “Media Planning and Buying”, by Arpita Menon 2. Media Tactics: Allocating Media Budgets, Chapter 17 from “Advertising Management” by Rajeev Batra, John G. Meyers, and David A. Aaker</p>
11-15	24 September and 26 September (Thursday and Friday)	<p>T: Message Strategy and Execution</p> <p>I. Workshop on Creative Message Design by Guest Faculty</p> <ol style="list-style-type: none"> 1. Mr. Arvind Sharma: ex-Chairman and CEO of Indian subcontinent for Leo Burnett 2. Mr. Anand B. Halve: Co-founder - Chlorophyll Brand & Communications Consultancy <p>II. Integrated Presentations on Creative Strategy by Groups on the briefs to be given by Guest Faculty</p>
16-17	9 October (Friday)	<p>T: Advertising Research (Presentation-cum-Discussion by Guest Faculty Ms. Usha Kavan from GFK)</p> <p>ER: Pretesting: Before the Rubber Hits the Road from “The SAGE Handbook of Advertising”, edited by G. J. Tellis and Tim Ambler</p> <p>SR: Measuring the Effectiveness of the Promotional Program, Chapter 19 from “Advertising and Promotion” by George E Belch, Michael A Belch, and Keyoor Purani</p>
18-19	10 October (Saturday)	<p>T: Measuring Effectiveness of Social media Campaigns (Presentation-cum-Discussion by Guest Faculty Mr. Niteen Bhagwat, Executive Director and CEO of Interface Communication)</p>
20	15 October (Thursday)	<p>T: Planning, Implementation, and Control of Consumer Packaged Goods (CPG) Sales Promotions</p> <p>C: Zarna’s Sales Promotion Practices</p> <p>ER: Influences on Sales Promotion Design from “Sales Promotion Management” by John A. Quelch.</p> <p>GP: 1. Identify factors influencing the role of sales promotion activities for Zarna. 2. Critically evaluate the planning process and the plan. 3. Analyse future role of sales promotion activities and the plan.</p>
21	15 October (Thursday)	<p>T: Planning, Implementation, and Control of Promotions in Services Sector</p> <p>C: SpiceJet Big Sale Offer – Adding Spice to Air Travel</p> <p>ER: “Consumer Promotions in Service Marketing” by Christopher H. Lovelock and John A. Quelch, <i>Business Horizons</i> (1983)</p> <p>SR: “Sales Promotion – A Missed Opportunity for Services Marketers?” by Ken Peattie and Sue Peattie, <i>International Journal of Service Industry Management</i> (1995)</p> <p>GP: 1. Was Neil Mills correct in initiating Big Sale offer?</p>

		<p>2. Do you think that emphasis on PLF is justified?</p> <p>3. Suggest ways to improve the implementation of Big Sale Offer.</p>
22	16 October (Friday)	<p>T: Planning, Implementation, and Control of Trade Promotions</p> <p>C: Safewithme Inc.</p> <p>ER: “It’s Time to Make Trade Promotions More Productive” by John A. Quelch, <i>Harvard Business Review</i> (1983)</p> <p>GP: 1. How would you evaluate the two types of trade promotion schemes? Suggest the financial and non-financial basis of evaluation. 2. In your assessment, what option should be selected by Mr. Jain?</p>
23	16 October (Friday)	<p>T: Promotions in Online Medium</p> <p>C: What’s the Deal with LivingSocial?</p> <p>ER: “Online Promotions: Exploring the Emerging Opportunity in Indian Market” by Nidhi Mathen and Abhishek, <i>IIMA Working Paper</i> (2014)</p> <p>GP: 1. What are the advantages and disadvantages of LivingSocial for consumers and merchants? 2. How should Living Social differentiate itself from other daily deal sites?</p>
24	29 October (Thursday)	T: To be decided in consultation with students
25-26	30 October (Friday)	<p>T: I. Advertising and Sales Promotion Decisions: (In-class Project Presentations by groups)</p> <p>II. Review and Feedback</p>

Group Assignment 1

Theoretical Foundations: Research and Applications in Advertising

Due date for Assignment Submission: 11th September 2015, Sessions 3 & 4

General Guidelines:

1. Each group is required to go through the following articles as per the topic assigned to them and prepare a PowerPoint presentation.

Group Number	Topic Assigned
1	“Understanding Advertising Effectiveness from a Psychological Perspective: The Importance of Attitudes and Attitude Strength” from The SAGE Handbook of Advertising
2	“Market Effects of Advertising Intensity , Chapter 6” from Effective Advertising
3	“Advertising’s Dynamic and Content Effects , Chapter 7” from Effective Advertising
4	“Advertising as Persuasion , Chapter 8” from Effective Advertising
5	“Argument in Advertising , Chapter 9” from Effective Advertising
6	“Emotion in Advertising , Chapter 10” from Effective Advertising

2. The first article is available in the casemat and others are chapters of the book Effective Advertising.
3. In order to illustrate the importance of concepts on the assigned topic, the group should include relevant examples from the advertising world/advertising clippings/cut-outs of print ads/hoarding pictures etc. in their presentation. The groups are encouraged to meet the instructor with draft presentations before they make presentations in the class.
4. All Groups will be required to present the assigned topic in class (time limit 20 minutes). The presentation may be followed by short discussion on the topic.
5. Group assignment has to be submitted on day of presentation (11th September 2015) in the form of hard copy of PowerPoint presentation only. The printouts should be submitted at the beginning of the class. **Thus, there is no need to submit a separate report.**

Group Assignment 2

Assignment on Sales Promotion

Due Date for Product/Service Selection: 16st October 2015, Session 23

Due Date for Assignment Submission: 26th October 2015

General Guidelines:

1. Each group is required to select a product/service from durable, non-durable or service category. Example – Talcum powder, Toilet soaps, Color TV, Air conditioner, Credit cards, Tour services etc. To avoid overlap of product/service chosen, groups must e-mail their product category choice by 16st October' 2015.
2. In the chosen product category, the group needs to compile consumer sales promotion offers announced in last one year by few brands (at least 3) and prepare a master table presenting content analysis of the offers which should contain details about brand, type of promotion, source of the advertisement giving offer, duration, geographic scope, terms and conditions etc. Please note that these parameters are indicative and you may add more based on your analysis of promotions for the chosen product/service category.
3. Select a brand in that category and study the brand's market share, positioning, target audiences aimed etc. through secondary sources and in discussion within group.
4. Analyze the consumer sales promotion offers (at least two) in detail keeping in mind the brand's marketing, communication and sales promotion objective, target audience aimed and critical assessment of the design features.
5. Understand the perspectives of the company, channel members and consumers for the chosen brand through primary research.
6. Design one future sales promotion scheme for the chosen brand, keeping in mind the understanding gained in points 4 and 5.
7. Each group needs to submit the soft copy of their reports (maximum 10 pages) by 11.59.59 pm on 26th October' 2015.
8. The hard copy of reports can be submitted on 27th October' 2015. **No PowerPoint presentation is required.**

Group Project

Marketing Communication Campaign for a chosen brand

Due Date for Brand Selection: 26th October 2015

Due Date for Project Submission: 30th October 2015, Session 25-26

General Guidelines:

1. The objective of the project is to integrate advertising and promotion elements of marketing communication. It serves as a capstone project for the entire course. For this project, think of your group as an advertising agency which is competing for an important account in a product/service category selected by the group. **(You are not supposed to select a product/service on which you have worked for FII projects.)** Prepare marketing communications strategy and campaign for a brand with justification (as if) to be presented to the marketing team in the client organization.
2. Your group would be graded on two distinct parts of the project. The first part of the project involves making a presentation in the class. The second part of the project would involve a detailed report on your analysis and the recommendations.
3. Your detailed report should include the following components:
 - Situational Analysis: Description of the existing situation including company objectives, company strengths and a detailed competitive analysis.
 - Brief overview of segments, positioning and marketing strategy adopted for existing brand.
 - Understanding of the recent/past campaign. You need to do a detailed analysis of the communication objectives, message strategy, creative brief, advertising execution, budget and media plan through primary and secondary research.
 - Develop a fresh marketing communication campaign for a chosen brand. (You may like to design a storyboard for TVC, a sales promotion scheme, online/mobile advertisement, print advertisement or a radio advertisement and any other type of communication vehicle that you wish to choose in an integrated manner.) Emphasis should be on creative message design and creative execution with justification.

A final written report (in soft as well as hard copy) must be submitted on the day of presentation.

4. For each group, presentations will last for 20 minutes followed by 5-7 minutes for questions and discussion.

Each group is encouraged to discuss about the brand with course coordinator before they decide and convey their choice by 26th October 2015.