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MBAS 508

**III Semester M.B.A. Degree Examination,
November/December 2019**

BUSINESS ADMINISTRATION

Promotions and Distribution Management

Time : 3 Hours]

[Max. Marks : 70

SECTION - A

(Compulsory)

Note: Answer to the question should **not** exceed **six** pages : (1 × 15 = 15)

1. Describe in detail the different pretesting methods used to measure the effectiveness of advertising.

SECTION - B

Note: Answer **any five** of the following questions. Each question carries **8** marks. Answer to the question should **not** exceed **five** pages : (5 × 8 = 40)

2. What are the functions carried out by an advertising agency? What factors do you consider in selecting in ad agency?
3. Explain the different methods of compensating salesmen. Which method do you consider best and why?
4. Explain the different methods of promotion budget.
5. Explain the vocational qualities that are essential in a sales person.
6. Describe and evaluate the various techniques of sales promotion.
7. Explain the importance of retail management in Physical distribution.
8. Explain the impact technological development on the promotional activities of business.
9. Explain the recent trends in supply chain management.



SECTION – C

(Compulsory)

Note: Answer to the question should not exceed **six** pages : (1 × 15 = 15)

10. On June 16, 2017, the Bombay High Court passed an order restraining Gujarat Cooperative Milk Marketing Federation (GCMMF), makers of 'Amul' ice cream, from telecasting its controversial Television Commercial (TVC) and print advertisement. The ad talked about the differences between 'ice cream' and 'frozen dessert' and urged customers to choose Amul ice cream that was made with 'real milk', and not 'frozen dessert', which it claimed was made using a highly controversial ingredient 'Vanaspati' or 'hydrogenated vegetable oil. GCMMF owed its beginnings to The Kaira District Co-operative Milk Producers Union Ltd., a co-operative of several small dairy farmers formed in 1946. Over the years, several other small co-operative societies joined in, leading to the establishment of GCMMF in 1973. As of 2017, GCMMF comprised 18,549 village societies, 18 District Cooperative Milk Producers Unions, and 3.6 million independent milk producers. All over India, it had 56 sales offices, 10,000 dealers, and one million retailers. Considered India's biggest dairy cooperative, it marketed its products under the 'Amul' brand. Its product range included milk, ghee, butter, milk powder, cheese, ice cream, chocolates, cottage cheese, health beverages, and traditional Indian sweets. As of 2017, Amul's market share in the Indian ice cream market was 32%.

On March 4, 2017, Amul released a new TVC "Pure moments deserve pure milk ice cream. Not vegetable oil" that showed a young girl putting up a brave front at the dentist's and being rewarded by her father for her bravery with an Amul ice cream. The ad then displayed two ice cream cups side by side. While the Amul-branded cup was shown being filled with milk, the other cup – with 'frozen dessert contains vegetable oil' written on it – was shown being filled with a dull white semi-solid mass. In 2011, the Food Safety and Standards Authority of India (FSSAI) had specified that customers had to be informed whether the product they were consuming was 'ice cream' or 'frozen dessert'. As per FSSAI, 'ice-cream' contained milk solids and milk fats, whereas frozen dessert contained milk solids and vegetable oil.

Initially, HUL approached ASCI to restrain Amul from airing the controversial ads. HUL believed that Amul's ads 'disparaged' and 'belittled' the entire frozen desserts category. HUL stated that it had taken up the responsibility of confronting Amul on its controversial



ads, even though its brand Kwality Walls was not directly mentioned in the ads, as its brand was the market leader in frozen desserts and was directly hit by Amul's ads.

Both Amul and HUL presented several arguments in the Bombay High Court. The petitioners pointed out that there was a deliberate misrepresentation of vegetable oil (Vanaspati Tel) as hydrogenated vegetable oils (Vanaspati) in Amul's ads. They thought that the misrepresentation had been done to benefit Amul's products. Speaking on the issue, Kiran Khalap, Co-Founder and Managing Director, Chlorophyll Brand and Communications Consultancy, said, "To me, it's not 'frozen desserts' that spells the difference, but the negative associations with Vanaspati oil. I would presume (the case) will help Amul positively."

Professionals from the advertising and media sector were of the view that the main issue was not about what exactly was the difference between ice creams and frozen desserts, but about using the difference as a tool to attain market domination.

Questions:

- (a) Analyze the different forms of advertising appeals.
- (b) Explore the advertising ethics involved in comparative advertising.
- (c) Evaluate the impact of ads in raising consumer awareness.