

(DEMB A1)

EXECUTIVE M.B.A. DEGREE EXAMINATION, MAY - 2015

First and Second Years

Group A - MARKETING

Paper – I : Sales & Advertising Management

Time : 03 Hours

Maximum Marks : 75

SECTION-A

(3 x 5 = 15)

Answer Any Three of the following

- 1) a) Salesmanship.
b) Sales routine.
c) Sales effort.
d) Promotion mix.
e) Marketing communication.
f) Advertising campaign.

SECTION-B

(3 x 15 = 45)

Answer Any Three of the following

- 2) Explain the inter dependence between sales and distribution management.
3) How are salesmen selected?
4) Explain the process of preparing sales budget.
5) How do you measure the effectiveness of advertising?
6) State the considerations in the selection of advertising media.
7) What are the skills required for sales personnel.

(Compulsory)

8) Archies is the first branded store in the organized sector dealing in branded greeting cards and gifts for all occasions. Archies started as a mail order poster shop in 1979. The company today sells about 65 million greeting cards every year. The company has expanded beyond Indian borders, and Archies stores have opened up in Bangladesh, Sri Lanka, Nepal, UAE and Bahrain. The company brings out more than 7000 designs every year. The company was able to grab an opportunity that lay dormant in the country as there was no major player in the category at the end of the 1970s. The key to Archies' success, according to analysts, is the fact that the company has consistently focused on emotions and feelings, which is reflected in its mission statement.

'The most special way to say you care'. Emotions are at the heart of Archies' collection. The brand portfolio includes all occasion greeting cards, photo albums, photo frames, soft toys, mugs, quotations, key chains, chimes, and a wide range of stationery. The price range varies from a greeting card that costs Rs. 4 to a jumbo teddy bear that costs Rs. 10,000. In order to cater to a multilingual and multi-cultural society like India, Archies has ventured into regional language greeting cards. In its early years, Archies' promoted its products through the direct mail route. Its first mail order, according to company sources, came for a poster worth Rs. 12. Archies has not looked back since. Over a period of time, it has used most of the mass media to reach out to its varied target groups. Archies 'Best of both the Worlds' radio programme that was on air for two years was hugely popular. Its ad: *'There are two kinds of people; those who send a card and those who don't care'*, touched an emotional chord among people. Its various TVCs reflecting expectations of loved ones and the manifestation of feelings through an Archies card enjoyed top-of-the mind recall. In this era of SMS and e-mail greeting cards, the company has been exhorting people through a print advertisement campaign to send greeting cards, as their sale would help many underprivileged groups in the society. Archies has tied up with NGOs such as the CRY (Child Relief and You) and Helpage India for

underprivileged children and elderly citizens to extend its greetings cards and stationery items. It is not uncommon to see people of all age groups at Archies shops buying cards and gifts for various occasions. In fact, Archies can be credited with having started the 'friendship card' series, besides adopting Western culture by making cards available for occasions such as Mother's Day, Father's Day, Valentine's Day, along with thank you cards. Its success is ascribed to its approx. 500 exclusive retail outlets and 10,000 multi-brand stores in 200 cities. The locations include mega malls and shopping stores. Human emotions are at the core of Archies' positioning. However, the character of a superbrand is gauged from its resilience in times of adversity. In the early 1990s, the company brought out cards for *Holi*, a festival of colour and gaiety in which poking fun at each other is not taken unkindly. The series was called '(Un)holi' cards. As soon as these became available at its retail outlets, the company found itself in the eye of the storm. Women's groups all over the country staged dharnas near Archies' shop, demanding that the company withdraw the cards that according to them were sexist and in bad taste. The police acted fast and confiscated consignments of the cards at Archies' shops and godowns, besides taking the owner into police custody. The company received unfavourable media coverage, giving it a rude shock. The company had not realized that poking fun through such cards could cost its reputation so dearly. (Jethwaney et al 1993)! It is not uncommon to find sexually suggestive cards in Western countries. However, India at that point of time was not ready for such a revolution. Taken by surprise, the company suspended its ongoing publicity. After some time, it mounted an all India campaign called '*Salute to Indian womanhood*', apologizing for its cards. Since the episode, the company has been able to establish itself as a major player in the field. Archies has been voted one amongst the 101 Superbrands by the superbrands Council of India for the year 2004 (Superbrands 2004).

Questions:

- a) Archies sells products that satisfy the emotional needs of consumers. Where would you put that in Maslow's hierarchy of needs model and why? ;

- b) Archies literally enjoys a monopoly position in the Indian market. What strategies have been used to get there and to hold on to the position? ; and
- c) What would have been your alternate strategy for damage control when Archies was in crisis?

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