Total marks for this paper is 100 marks.

There are two parts in this question paper. All questions in Part One are compulsory.

It includes a mini case.

Part Two includes 6 Essay Type Questions. Answer 03 questions from this part.

Instructions to candidates

1. State your Registration Number on the front cover of the answer book and on each and every additional paper attached to it. Your name must not appear anywhere in the answer book or answer scripts.

2. Always start answering a question on a new page.

3. You are reminded that answers should not be written in pencil or red pen except in drawing diagrams.

4. Answer the questions using:
   - Effective arrangement and presentation
   - Clarity of expression
   - Logical and precise arguments
   - Clear diagrams and examples where appropriate

5. Illegible handwriting and language errors will be penalised.
PART ONE

Answer all questions

Question 01: Case Study

Sri Lanka’s total soft drink market is worth around 80 million dollars and the fruit juice market is around 12 million dollars. Fruit beverage (Ready-to-Drink) industry is an important beverage market in Sri Lanka with an annual growth rate of approximately 12%.

Annual per capita consumption of soft drinks in Sri Lanka is only 12 litres while that of non-alcoholic beverages including bottled water is around 18 litres. This is in comparison to the region where per capita beverage consumption is around 45 litres in Malaysia, 80 litres in Thailand and nearly 100 litres in Indonesia.

Recent research done at the Hector Kobbekaduwa Agrarian Research and Training Institute found the following facts related to the fruit drinks market in Sri Lanka.

I. The fresh fruit juice and ready-to-drink fruit nectar category has great potential. Hence it is important to establish and expand fresh fruit juice Centres Island wide.
II. The quality standards and the taste of fruit drinks should be increased by frequent quality checks and introducing new tastes.
III. A strong advertising programme must be launched to increase the awareness of the fruit drinks and popularity of fruit drink industry.
IV. With changing lifestyles, people have started to become more health conscious. Therefore, fruit juice companies should use appropriate marketing techniques to capture the market in the future.
V. More facilities to small scale fruit drink producers should be provided by the government to reach the larger market.
VI. Packages should be healthy, safe, transparent and attractive. It should be more convenient to carry, consume and dispose (majority of the consumers’ preferred plastic bottles due to convenience) and the companies must take these points into account.

When talking about the soft drinks market, similar to India, which developed Thums Up, etc, after the original withdrawal of Coca Cola in the ‘70s, Sri Lanka has the brand - EH. They sell a variety of local drinks, including the flagship and main brand EH Ginger Beer, Ginger Ale, Necto, Cream Soda, etc. Both Coca Cola and Pepsi have been trying for years to gain share, overtake this local brand with no success yet.

EH is currently expanding its product portfolio by offering more and more choices to consumers. The ‘Go Sugar Free’ initiative is another key milestone of their journey.

Recently, EH also launched several healthier beverage options, from FitO Fruit drinks, to Twistee Iced Tea, F5 isotonic sports drinks and most recently the re-launch of EH flavoured...
milk. The all-new EH flavoured milk comes in a tetra pack that seals in the fresh milk and are available in the three classic flavours- vanilla, chocolate and strawberry.

a) Briefly explain the five (05) steps process of advertising campaign management.  
(12 Marks)

b) Using the two theories, hierarchy of effects model and means-end analysis, explain how EH can design better effective commercials for their fruit drinks category.  
(10 Marks)

c) What are the most suitable advertising appeals EH can utilize in order to penetrate the market for their newly launched flavoured milk range?  
(06 Marks)

d) Explain briefly the most suitable message strategy for EH soft drinks and fruit drinks markets separately.  
(06 Marks)

e) What are the traditional media channels you are proposing to advertise EH fruit juice market?  
(06 Marks)

(Total 40 Marks)
PART TWO
This part includes SIX Essay Type Questions
Answer THREE questions

Question 02
The world of marketing is constantly changing, especially in the modern era of social media, automated ad tech and audience analytics. Brands need to stay on top of these changes to successfully reach their audiences.
Briefly explain;
   a) The three (03) main emerging trends in marketing communications with examples. (10 Marks)
   b) The main components of an integrated marketing communications program. (10 Marks)
(Total 20 Marks)

Question 03
a) Allowances offered by manufacturers to the distribution channel to stimulate sales is referred to as trade allowances. There are three main types of trade allowances. List the three (03) types and explain briefly with practical examples. (08 Marks)

b) Briefly explain the below (you are expected to elaborate on the types, benefits and problems.)
   1. Sampling
   2. Bonus Packs
   3. Price-Offs (04 Marks x 3)
(Total 20 Marks)

Question 04
When marketing managers implement marketing strategies on their own, they use proactive marketing. However, if some dynamic occurs in the industry, marketing professionals may need to use reactive marketing to ward off potential negative effects on their sales and profits.

Briefly explain:
   a) The two (02) proactive prevention techniques
   b) Main three (03) reactive damage-control strategies (10 Marks x 2)
(Total 20 Marks)
Question 05
a) Today's marketers have a host of advertising choices available to them, in both online and offline channels. Briefly explain with examples the three (03) main types of online and offline advertising in order to effectively reaching today’s consumers. 

(14 Marks)

b) With a Sri Lankan example, briefly explain the three (03) primary purposes of packaging. 

(06 Marks)

(Total 20 Marks)

Question 06
a) Briefly explain the following terms related to ethical issues in marketing.
   1. Brand infringement
   2. Ambush marketing
   3. Stealth marketing

(04 Marks x 3)

b) What type of behavioural evaluations can be employed to assess integrated marketing communication problems?

(08 Marks)

(Total 20 Marks)

Question 07
a) Briefly explain the five (05) steps in building a permissions marketing programme with related examples.

(14 Marks)

b) Explain the following terms:

- Customer relationship management
- Direct response marketing
- Personal selling

(2 Marks x 3)

(Total 20 Marks)

(Total 60 Marks)

(Total 100 Marks)

-END-