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**PRESIDENCY UNIVERSITY**

**Bengaluru**

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| **End - Term Examinations – JANUARY 2025** |
| **Date:** 09- 01- 2025 **Time:** 09:30am – 12:30pm |

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| **School:** SOM(PG) | **Program:** MBA | |
| **Course Code :** MBA3079 | **Course Name :** Digital Consumer Behaviour | |
| **Semester**: III | **Max Marks**: 100 | **Weightage**:50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **13** | **49** | **19** | **19** |  |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Answer ALL the Questions. Each question carries 3marks. 3Mx10Q=30M** | | | | |
| **1** | Explain how the **Consumer Protection Act (CPA-2019)** impacts consumer rights in e-commerce and digital platforms. | **3 Marks** | **Understand** | **CO1** |
| **2** | Discuss the role of reference groups in shaping consumer decisions and explain their strategic applications in targeting digital consumers. | **3 Marks** | **Understand** | **CO2** |
| **3** | Describe the basics of attitude and discuss the importance of the Attitude towards AD-Model in shaping consumer preferences for digital advertisements. | **3 Marks** | **Understand** | **CO2** |
| **4** | Describe how digital marketing applications and strategies can address different levels of consumer motivation to enhance engagement. | **3 Marks** | **Understand** | **CO2** |
| **5** | Describe how viewer reactions to online political spoof videos can influence public opinion and shape perceptions of political campaigns. | **3 Marks** | **Understand** | **CO3** |
| **6** | Explain the role of social media in shaping public discourse, particularly through consumer-driven activism campaigns. | **3 Marks** | **Understand** | **CO3** |
| **7** | Explain the key differences between motivations for information search and motivations for online shopping, and describe how they intersect in the consumer decision-making process. | **3 Marks** | **Understand** | **CO3** |
| **8** | Discuss the role of digital penetration in driving the growth of luxury brands in Tier 2 and Tier 3 cities in India. Use examples from platforms like Tata CLiQ Luxury​. | **3 Marks** | **Understand** | **CO4** |
| **9** | Explain how the concept of conspicuous consumption aligns with the buying behavior of luxury consumers. | **3 Marks** | **Understand** | **CO4** |
| **10** | Describe the key dimensions of the Brand Luxury Index (BLI) and provide examples of how a brand like Louis Vuitton incorporates these dimensions​. | **3 Marks** | **Understand** | **CO4** |

**Part B**

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| **Answer ALL the Questions. Each question carries 10 marks. 10Mx4Q=40M** | | | | |
| **6a** | How would you apply social media activism strategies to democratize luxury brands in India while aligning with the evolving preferences and behaviors of digital consumers? | **10 Marks** | **Apply** | **CO1** |
| **or** | | | | |
| **7a** | Design a strategy for leveraging reference groups and opinion leaders to influence purchase decisions for luxury goods while considering media exposure and product benefits. | **10 Marks** | **Apply** | **CO1** |

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| **8a** | Develop a marketing strategy that leverages reference groups and opinion leaders to promote a new mobile gaming app among Gen Z consumers. | **10 Marks** | **Apply** | **CO2** |
| **or** | | | | |
| **9a** | Use the concept of brand personality to create a marketing plan for a new digital startup aiming to establish a youthful and innovative brand identity. | **10 Marks** | **Apply** | **CO2** |

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| **10a** | Apply the theory of consumer electronic shopping cart behavior to propose three strategies ABC corporation can use to reduce e-cart abandonment rates on its website. Link each strategy to specific consumer motivations for abandoning carts. | **10 Marks** | **Apply** | **CO3** |
| **or** | | | | |
| **11a** | Using the "carrots vs. sticks" approach, suggest a framework for Maggi to handle the social media backlash during its noodle controversy effectively while fostering long-term customer loyalty. What preventive measures could have been taken to avoid such a crisis? | **10 Marks** | **Apply** | **CO3** |

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| **12a** | Using Maslow's Hierarchy of Needs, analyze why an aspirational buyer in India might purchase a Rolex watch or designer sneakers. | **10 Marks** | **Apply** | **CO4** |
| **or** | | | | |
| **13a** | Based on the experience economy framework, propose how luxury brands can enhance their in-store experiences to drive engagement​. | **10 Marks** | **Apply** | **CO4** |

**Part C**

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| **Answer all the Questions. Each Question carries 15 marks. 15Mx2Q=30M** | | | | |
| **14** | TechEase, an electronics and home appliance retailer, has been a leader in brick-and-mortar sales for over 15 years. Recently, the company has been transitioning to digital platforms to keep up with the increasing demand for online shopping. Their e-commerce site features an AI-powered virtual assistant, personalized product recommendations, and interactive product demos.  Despite these advancements, TechEase faces several challenges:   * A significant portion of their customers feels overwhelmed by the abundance of options, leading to decision fatigue. * Reviews suggest that the AI avatar lacks relatability, reducing its effectiveness in guiding customers. * A growing concern about data security has led to customer hesitation in using their platform. * Competitors are leveraging influencer marketing and virtual shopping events, which TechEase has yet to fully adopt.   To address these issues, TechEase has launched a pilot program called "EaseConnect," integrating avatar customization, influencer partnerships, and enhanced privacy features. The pilot also includes data-driven tools to segment customers and create targeted campaigns.  Questions:  1. Discuss how decision fatigue can be minimized through the application of behavioral learning theories in TechEase's e-commerce platform. What specific tools or features should they develop? (7.5)  2. How does the integration of virtual shopping events and interactive demos align with evolving consumer behavior? Analyze its potential impact on consumer engagement and loyalty. (7.5) | **15 Marks** | **Analyze** | **CO2** |
| **15** | India is emerging as a significant market for luxury brands due to its growing economy, increasing disposable income, and expanding digital ecosystem. Luxury brands are shifting towards digital platforms to engage with tech-savvy Indian consumers. However, balancing traditional exclusivity with digital accessibility presents a challenge.  A globally renowned luxury brand, Eterna Luxe, has recently launched its digital platform in India. The platform integrates augmented reality (AR) to offer virtual try-ons, personalized shopping assistance through AI-driven avatars, and exclusive online launches. The brand targets affluent millennials and Gen Z, who are more digitally active and value both convenience and personalized experiences.  However, Eterna Luxe faces challenges in:   * Ensuring that its digital presence aligns with the exclusivity of the brand. * Understanding how Indian consumers perceive luxury online compared to traditional retail. * Managing privacy concerns and ensuring a seamless user experience. * Competing with local and global players in India's luxury e-commerce space.   Questions:  1. Which segmentation approach should Eterna Luxe prioritize to effectively target affluent Indian consumers, and how can the brand balance personalization with addressing privacy concerns in its data-driven strategies? (7.5)  2. How can Eterna Luxe leverage insights into consumer motivations, personality traits (e.g., self-image, brand personality), and decision-making processes to enhance its digital strategy, reduce e-cart abandonment and drive conversions? (7.5) | **15 Marks** | **Analyze** | **CO2** |