

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

SET B

**SCHOOL OF MANAGEMENT
END TERM EXAMINATION - JAN 2024**

Semester : Semester III - 2022

Course Code : MBA2022

Course Name : Consumer Behaviour and Practices

Program : MBA

Date : 12-JAN-2024

Time : 10:00AM - 1:00 PM

Max Marks : 100

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS

10 X 3M = 30M

1. List all the aspects of study under consumer behaviour
(CO1) [Knowledge]
2. Label few consumer differences with suitable products based on Type A and Type B personalities
(CO2) [Knowledge]
3. Define instrumental conditioning and give an example for its application in understanding consumer behaviour
(CO3) [Knowledge]
4. Define impulse buying and state which generation(s) is more likely to engage in impulse buying.
(CO4) [Knowledge]
5. Recall the importance of consumer behaviour studies
(CO1) [Knowledge]
6. Name 3 brands that are that have created personalities around gender, geography and colour and state how has it helped or hurt purchase behaviour
(CO2) [Knowledge]
7. Define observational learning and give an example from the consumption context
(CO3) [Knowledge]
8. List the types of subcultures and give examples in the Indian context
(CO4) [Knowledge]
9. State how self concept influences purchase decisions with an example from fashion products
(CO3) [Knowledge]
10. Define reference groups and list the major consumer reference groups
(CO4) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

6 X 7M = 42M

11. Discuss the impact of digital era on consumer lifestyles and behavior. Illustrate how digital and traditional consumers are influenced in their purchase decisions because of the advent of internet.
(CO1) [Comprehension]
12. Distinguish between positive and negative motivation, and review how do rational and emotional motives influence consumer behavior?
(CO2) [Comprehension]
13. Describe the marketing applications of classical conditioning theory of consumer learning
(CO3) [Comprehension]
14. Describe how social comparison and social influence differ from each other in throwing insights on consumer decision making. Use the purchase of house or flat as an example to emphasize your points.
(CO4) [Comprehension]
15. Discuss how cognitive, affective, and conative components of the Tricomponent Model explain the shift in consumer preferences towards sustainable and ethically sourced products in the Indian market? Demonstrate the interplay of cognitive processes, emotional responses, and behavioural intentions within the context of changing consumer behaviour, considering socio-cultural factors and economic influences in India.
(CO3) [Comprehension]
16. Discuss the impact of cultural influences on consumer decision-making in India, differentiating between low and high involvement products. Justify how cultural factors, shape the cognitive, affective, and behavioural dimensions of consumer choices in both low and high involvement contexts.
(CO4) [Comprehension]

PART C

ANSWER ALL THE QUESTIONS

2 X 14M = 28M

17. In the U.S. cereals are taken at breakfast time. Cereal manufacturing is an industry of great magnitude. Cereals are manufactured in various shapes, flavours and colours and the advertisement is directed at children. The leading manufacturers are Kellogg's, General Mills, General Foods, Quaker Oats, and Champion. Kellogg's share was constantly being eaten away by other manufacturers who were introducing new cereals. Kellogg's therefore thought of introducing a new cereal, which they had not done for a long time. The cereals were not only consumed by children, but a substantial portion formed the adult market as well.

Kellogg's developed a new plan to come out with a cereal which would be tasty, nutritious, free of sugar and made of grain. The cereal consisting of the above attributes was named "Nutrigrain".

These were available in four types. Nutrigrain Corn, Wheat, Barley and Rye.

These were introduced together, and no test marketing was done to avoid competition.

These Products were advertised heavily and targeted at adults. To promote the product further, discount coupons were freely distributed, which gave a cut of about 30 per cent in the retail price of the product. Coupons were also inserted in the Nutrigrain boxes' so that customer would return to take advantage of these coupons, and make repeat purchases. A lot of information and advantages of consuming Nutrigrain was boldly printed on the packages for the information of the consumers. Proper display in the shelves of stores was also taken care of. Their efforts brought results, and the stores were loaded with orders and most adults started eating these cereals, because of promotion, curiosity, etc. After one year, the sales declined because there were very few repeat purchases. This started the extensive thinking as to where they had gone wrong. Consequently, they withdraw two of their brands—Barley and Rye. These were replaced by raisin and wheat varieties. They also found out later, that there was a shortage of time for the adults, which prevented them from having cereals. If they could get out of bed 10 minutes early and devote these ten minutes to breakfast, they would probably enjoy the cereals. They also found out that though people were clamouring for sugarless cereals, yet they loved to satisfy their palates with sugar coated cereals.

(CO1) [Application]

Questions

1. Examine the habits of the above consumers and their preferences and show where Kellogg's failed
2. Examine whether Kellogg's should have done test marketing and gradual product introduction?
3. Suggest methods of increasing the market share of the adult market?

18. Consumers are becoming health conscious and would like to consume foods which are balanced, and have all the required nutrients in proper quantities. These ingredients are cholesterol, salt, sugar, fibre, calories and additives. The consumers are not only concerned about such goods for themselves, but also their families.

A survey was made by a company to find out the food attitudes of consumers. This was done to find out how products could be designed, advertised and positioned to attract health conscious consumers. The survey of food attitude was carried out as food-related items. These attitudes were food conscious, cooking attitudes, brand loyalty, instant foods, price sensitivity, value, etc. The analysis revealed that basically customers could be classified into three categories.

Category I: Older Consumers

These were health conscious older people, who because of medical consideration, had little choice, and these people were concerned about sugar, salt, greasy foods, etc. They ate meals regularly, at regular timings, and took great precautions for their food. They used branded products, and played very safe in eating outside and not consuming food not prescribed for them.

Category II: Buyers of Convenience Food

These are younger consumers keeping busy mostly outside the house, who skip lunch or breakfast. They rely on convenience food and fast foods. They have a hectic lifestyle. They are upwardly mobile, use ready to eat and frozen foods. They work mostly outside the house and are pressed for time. They have an irregular schedule for meals. They also dislike cooking and want to utilise time for leisure and other activities rather than for cooking. They are not very concerned about balanced diet, and would have greasy burgers or any other fast foods to suit their convenience. They can also be categorised under impulse buyers, rather than careful shoppers. If the product has appeal, it will be bought, and the price and brand name are not the main considerations.

Category III: Cooking Own Food

They like to cook their own food and get involved in the kitchen. They love to make an assortment of dishes. This is also done to cut costs. They like to buy their own groceries and cooking stuff, and do not want to waste money on fancy packings. They do not try new products, i.e., they are not innovators, but try to be a late majority, and buy a thing, when it has established itself in the market. They tend to have a big family, and have to economise, as well.

1. Apply appropriate theories or models to demonstrate what can be inferred by marketers from the above study?
2. How does it help them to formulate strategies for segmentataion and targeting, advertisement, positioning, etc?
3. Do you require any other information and why?

(CO2) [Application]