

Code No: MB1636/R16

MBA III Semester Supplementary Examinations, March-2021

CONSUMER BEHAVIOR

Time: 3 Hours

Max. Marks: 60

*Answer Any FIVE Questions
All Questions Carry Equal Marks
Question No. 8 is Compulsory*

- | | | | |
|----|---|---------------------------------------------------------------------------|----|
| 1. | a | Define consumer behavior. Explain its significance. | 6M |
| | b | Explain the Howard-Sheth model of consumer behavior. | 6M |
| 2. | a | Explain the characteristics of organizational markets. | 6M |
| | b | Discuss how culture has influence on consumer decision making. | 6M |
| 3. | a | Define Personality. Explain the Freudian theory of personality in detail. | 6M |
| | b | Describe the Pavlovian model of classical conditioning. | 6M |
| 4. | a | Discuss the importance of studying post-purchase behavior of consumers | 6M |
| | b | Distinguish between industrial buying and consumer buying | 6M |
| 5. | a | Discuss the various steps in Consumer decision making process. | 6M |
| | b | Discuss the factors influencing the post-purchase behavior of consumers. | 6M |
| 6. | a | Discuss the pros and cons of consumerism. | 6M |
| | b | Discuss the marketers response to consumer issues. | 6M |
| 7. | a | Discuss in detail the Consumer Protection Act 1986. | 6M |
| | b | Explain the redressal forums available for consumer protection. | 6M |

8.

CASE STUDY

12M

ABC Electronics Ltd. was a company established in 1983 by Mr. Manoj Kumar and over the years had emerged as one of the leaders in the growing segment of the electronics and home appliances market in India. Currently it has a market share of 30% of the home appliances market. Its product strategy has been to offer a wide range, right from mono stereo, two in ones and sophisticated music systems to televisions, refrigerators, washing machines, ovens and microwave ovens. ABC's marketing strategy also included offering the above products so as to match the needs and budget of the middle and upper middle classes.

In 1991, Prasad, son of Mr. Manoj Kumar, took over as the Managing Director of the company. Seeing the intense competition in the post liberalization scenario, Prasad was keen to follow the principle that once you have decided on your target customer, you follow him/her relentlessly with attractive offerings. In 1994, he developed a well focused promotion and distribution strategy. The promotion strategy involved an advertising budget of Rs. 10 crores, a special training program for the sales force and offering freebies and various other sales promotion techniques. In terms of distribution, Prasad selected exclusive showrooms and franchisees to display their wide range of products. The location of the exclusive retail outlets was also selected so as to match the perceptions of the consumers as an "exclusive showroom" for them.

However, even after two years of implementing the new promotion and distribution strategy, the sales of ABC Electronics did not pick up to the extent that the company thought it would. Prasad then directed the marketing manager to conduct a study of other retail outlets to know the trend. The results revealed that there was a change in consumers' perceptions regarding purchasing consumer durables. There seemed to be a preference for purchasing goods from multi brand, rather than from single brand outlets.

Questions

- i. Where do you think Prasad went wrong in his analysis of consumer behavior?
- ii. Discuss the change in the role of the consumer today, as compared to the consumer five years ago

2 of 2