

USN										
-----	--	--	--	--	--	--	--	--	--	--



Internal Assessment Test 2 – Oct 2016

Subject:	Consumer Behaviour					Code:	14MBAMM301			
Date:	28/10/2016	Duration:	90 Mins	Max Marks:	50	Semester:	3	Branch:	MBA	
Note: Answer any 2 question in Part-A, Part-B & Part-C. Part-D is compulsory										

1. Part – A Write Short note on any two (3*2=6 Marks)

1. (a). Consumer ethnocentrism

3 Marks

A concept, that refers to individuals, who believe that their country's products are superior to those of the other countries. It is a consumer's predisposition to accept or reject foreign made products is called consumer ethnocentrism.

(b). Sleeper effect?

3 Marks

The tendency for persuasive communication to lose the impact of source of credibility over time.

(c) Enculturation and Acculturation?

3 Marks

Enculturation is both a conscious and an unconscious conditioning process whereby people acquire competences in their own culture. What anthropologists call enculturation, sociologists may call socialization. The conditioning process begins in childhood and involves internalizing symbols, rituals, expectations, rules, and requirements not only related to the society as a whole but also for every specific required speech and behavior within the whole.

The enculturation process may include two major modalities:

Informal – This could be called “child training” and precedes and runs concurrently with the formal. It usually is carried out within the context of the family and also among close friends. Jean Piaget famously researched and described the stages of child maturation.

Formal – This facet is commonly termed “education” and takes place in institutions of learning, sacred or secular.

If enculturation is learning appropriate behavior of a person's own culture, acculturation is learning appropriate behavior of a host culture. Often the acculturation process is hindered by one's tacit assumptions about the structures and relationships of the former society.

Acculturation is a process in which members of one cultural group adopt the beliefs and behaviours of another group. Although acculturation is usually in the direction of a minority group adopting habits and language patterns of the dominant group, acculturation can be reciprocal-that is, the dominant group also adopts patterns typical of the minority group. Assimilation of one cultural group into another may be evidenced by changes in language preference, adoption of common attitudes and values, membership in common social groups and institutions, and loss of separate political or ethnic identification.

Part – B- Answer any two (2*7=14)

2. (a). Discuss Freud's psychoanalytical theory in marketing

7 Marks

Freudian theory: deals Unconscious needs or drives are at the heart of human motivation. It says every individual's personality is the product of a struggle among three interacting forces.

Id: Warehouse of primitive or instinctual needs for which individual seeks immediate satisfaction. It operates at a very subjective and unconscious level and is not fully capable of dealing with objective reality. Source of strong inborn drives and urges such as aggression.

Superego: Individual's internal expression of society's moral and ethical codes of conduct. It provides norms to determine what is right or wrong.

Ego: Individual's conscious control that balances the demands of the id and superego. It develops the individuals capabilities of realistic thinking and ability to deal with appropriately with his environment.

(b). is social class? Exhibit its status and explain.

7 Marks

Social class refers to grouping of people who are similar in their behavior based upon their economic position in the market place. Class membership exists and can be described as a statistical category whether or not individuals are aware of their common situation.

Determinants of social class

Occupation

When strangers meet, a question often asked is, "What kind of work do you do?" This question provides a good clue to the social class of the individual. Consumer analysts consider occupation as the best single indicator of social class. The work consumers do greatly affects their lifestyles and is the single most important basis for according prestige, honor, and respect.

Personal performance

A person's status can also be influenced by her or his success relative to that of others in the same occupation-by an individual's personal performance. Personal performance also involves activities other than job-related pursuits. A reputation as a good mother or a good father may contribute to one's status.

Interactions

People felt most comfortable when they are with people of similar values and behavior. In such an approach, group membership and interactions are considered a primary determinant of a person's social class. Although interactions are probably the best validity check in social class research, they are not as useful a variable as occupation, because of the difficulty in measuring social interactions. Social intimacy is an expression of social equality even though the interactions may be difficult to measure.

Possessions

Possessions are symbols of class membership-not only the number of possessions, but the nature of the choices made. The most important possession decision reflecting a family's social class is the choice of where to live. This includes both the type of home and the neighborhood. Other possessions that serve as indicators of social status include club memberships, preferred furniture styles, clothing, and appliances.

Value orientations

Values-shared beliefs about how people should behave-indicate the social class to which one belongs. When a group of people share a common set of abstract convictions that organize and relate a large number of specific attributes, it is possible to categorize an individual in the group by the degree to which he or she possesses these values.

(c). what are reference groups? List out its important in marketing? 7 marks

Reference Group:

It is a group that serves as frames of reference for individuals in their purchase or consumption decision.

Normative reference group:

Comparative reference group:

Indirect reference group

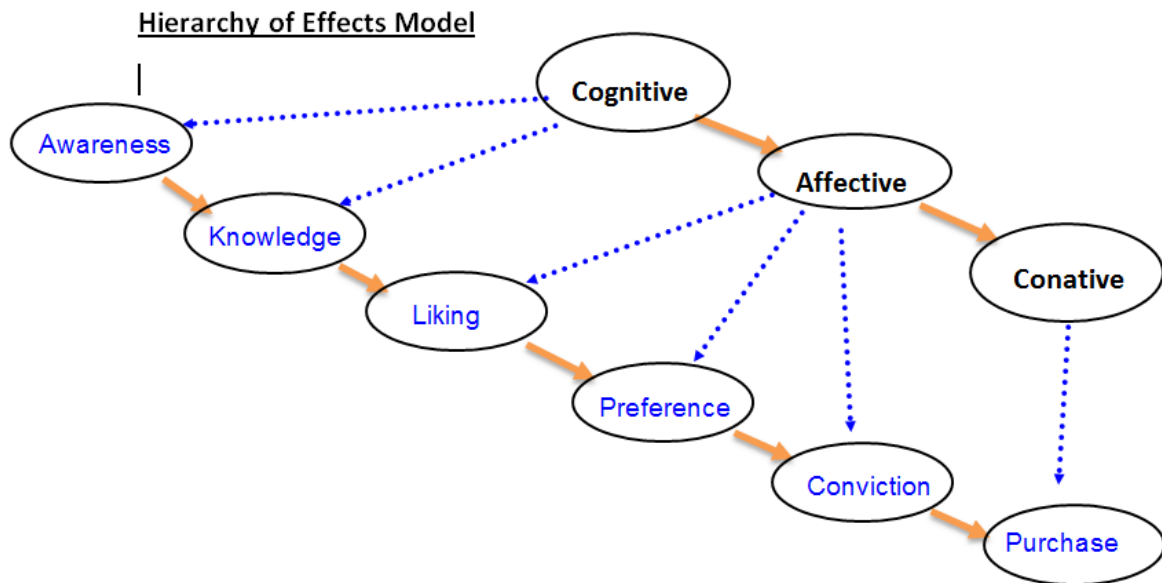
Part – C answer any two (2*10=20 marks)

3. (a). Explain the Tri component model of attitude?

10 marks

The hierarchy of effects model proposed in 1961 by Robert J. Lavidge and Gary A. Steiner is a series of steps by which customers receive and use information in reaching the final decision about what actions they will take (eg. Whether or not to buy a product), through a series of seven stages: Unawareness, Awareness, Knowledge, Liking, Preference, Conviction, and purchase.

These seven stages were condensed by Leon G. Schiffman in 2006 into three theoretical categories named as the tri-component attitude model.



Cognitive component: The first part of the tri-component attitude model cognitive component consists of a person's cognitions, i.e., the knowledge and perceptions that are acquired by a combination of direct experience with the attitude object and related information from various sources.

Affective component: The second part of the tri-component attitude model affective component consists of a person's emotion or feelings about a particular product or a brand.

Conative component: The third part of the tri-component attitude model conative component consists of a person's likelihood or tendency to undertake a specific action or behaviour towards the attitude object.

(b). what is perceived risk? What are the risks faced by the consumers? How do they handle risks? 10 Marks

Risk is defined as consumer's perceptions of the uncertainty and adverse consequences of engaging in an activity. Consumer behaviour is motivated to reduce risk. If negative outcomes are likely or positive outcomes are unlikely perceived risk is high.

Types of perceived Risk;

Performance risk: reflects uncertainty whether product will perform as expected.

Financial risk: is the offering expensive.

Physical or safety risk: safety concerns

Social risk: Test social standing from the offering.

Psychological risk: fits with the way they perceive themselves.

Time risk: it reflects time/duration invested.

Way to handle risk

Consumers seek information:

Consumer stay brand loyal

Consumers select products by brand image

Consumes rely on Store image

Consumers buy most expensive model

Consumers seek reassurance.

(c). Enumerate the important components of communication with a diagram?

How is this understanding pertinent to design, persuasive communication strategy? 10 Marks
Components of communication model.

- Sender/ encoder
- Message
- Medium
- Receiver
- Feedback

Part-D Compulsory (1*10=10 marks)

4 a) what is learning? Explain the elements of learning with examples?

Consumer learning is a process; that is, it continually evolves and changes as a result of newly acquired knowledge (which may be gained from reading, from discussions, from observation, from thinking) or from actual experience. Both newly acquired knowledge and personal experience serve as feedback to the individual and provide the basis for future behavior in similar situations.

Elements of learning process are

Motivation:

Motivation is based on needs and goals.

The degree of relevance, or involvement, with the goal, is critical to how motivated the consumer is to search for knowledge or information about a product or service.

Uncovering consumer motives are one of the prime tasks of marketers, who try to teach consumer segments why their product will best fulfil their needs.

Cues:

If motives serve to stimulate learning, cues are the stimuli that give direction to the motives.

In the marketplace, price, styling, packaging, advertising, and store displays all serve as cues to help consumers fulfil their needs.

Cues serve to direct consumer drives when they are consistent with their expectations.

Response:

How individuals react to a cue—how they behave—constitute their response.

A response is not tied to a need in a one-to-one fashion.

A need or motive may evoke a whole variety of responses.

The response a consumer makes depends heavily on previous learning that, in turn, depends on how related responses were reinforced previously.

Reinforcement:

Reinforcement increases the likelihood that a specific response will occur in the future as the result of particular cues or stimuli.