

# CBCS SCHEME

USN

22MBAMM303



## Third Semester MBA Degree Examination, Dec.2024/Jan.2025 Consumer Behaviour

Time: 3 hrs.

Max. Marks: 100

- Note: 1. Answer any FOUR full questions from Q1 to Q7.  
2. Question No.8 is compulsory.  
3. M : Marks, L: Bloom's level, C: Course outcomes.*

			M	L	CO
Q.1	a.	Define consumerism.	03	L	CO
	b.	Discuss the characteristics of Indian consumer with example.	07	L2	CO2
	c.	"Consumer rights are human rights in market place". Interpret the above statement and explain the rights and responsibilities of consumers in India.	10	L4	CO3
Q.2	a.	State the features of online decision making.	03	L1	CO1
	b.	Distinguish the levels of consumer decision making.	07	L4	CO3
	c.	Analyse consumer decision making process of input output model of consumer behaviour with a suitable diagram.	10	L4	CO4
Q.3	a.	Define Consumer Imagery.	03	L1	CO1
	b.	Discuss the importance of Freud's Psycho analytical theory in marketing.	07	L3	CO3
	c.	Illustrate how Maslow's need hierarchy theory examples consumer motivation, consumer purchase for the following product/service : i) Pension plan ii) Laptop iii) Car iv) Rolex watch.	10	L4	CO4
Q.4	a.	List out the various considerations for designing persuasive communication.	03	L1	CO1
	b.	Illustrate how the learning theory proposed by Pavlovian is used by modern marketers.	07	L3	CO4
	c.	Analysis components of ELM model with example.	10	L3	CO4
Q.5	a.	List out the features of opinion leadership.	03	L1	CO1
	b.	Explain the concept of reference group appeals with example.	07	L2	CO2
	c.	Analyse the various problems in cross-cultural marketing and also the strategies to overcome it in India.	10	L3	CO4
Q.6	a.	Define subliminal perception.	03	L1	CO1
	b.	Analyze the stages of consumer adoption process.	07	L3	CO4
	c.	Outline the CRM strategies for building relationship marketing.	10	L4	CO3
Q.7	a.	State the features of brand personality.	03	L1	CO1
	b.	Summarise the concept of perceived risk and explain how consumer handle the risk.	07	L2	CO2
	c.	Illustrate the tri components model.	10	L4	CO4
Q.8		<b>CASE STUDY</b> ABC electronics a leading smartphone manufacture is planning to launch its latest flagship model. The company wants to understand the factors influencing the consumers purchasing decision in the smart phone market to tailor its market approach.			
	a.	Explain the primary factors influencing the consumers choice of smart phones.	10	L3	CO3
	b.	How do technological advertisements and innovation influence consumer performance.	10	L3	CO4

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**Third Semester MBA Degree Examination, Dec. 2024/Jan. 2025**  
**Consumer Behaviour (Questions & Solutions)**

Question Number	Sub Question Numbers	Questions	Marks
<b>1</b>	<b>A</b>	Define consumerism.	<b>3</b>
	<b>B</b>	Discuss the characteristics of Indian consumers with examples.	<b>7</b>
	<b>C</b>	"Consumer rights are human rights in market place". Interpret the above statement and explain the rights and responsibilities of consumers in India.	<b>10</b>
<b>2</b>	<b>A</b>	State the features of online decision making.	<b>3</b>
	<b>B</b>	Distinguish the levels of consumer decision making.	<b>7</b>
	<b>C</b>	Analyse consumer decision making process of input output model of consumer behaviour with a suitable diagram.	<b>10</b>
<b>3</b>	<b>A</b>	Define Consumer Imagery.	<b>3</b>
	<b>B</b>	Discuss the importance of Freud's Psycho analytical theory in marketing.	<b>7</b>
	<b>C</b>	Illustrate how Maslow's need hierarchy theory exemplifies consumer motivation and consumer purchase for the following product/service: i) Pension plan ii) Laptop iii) Car iv) Rolex watch.	<b>10</b>
<b>4</b>	<b>A</b>	List out the various considerations for designing persuasive communication.	<b>3</b>
	<b>B</b>	Illustrate how the learning theory proposed by Pavlovian is used by modern marketers.	<b>7</b>
	<b>C</b>	Analysis components of ELM model with example.	<b>10</b>
<b>5</b>	<b>A</b>	List out the features of opinion leadership.	<b>3</b>
	<b>B</b>	Explain the concept of reference group appeals with example.	<b>7</b>
	<b>C</b>	Analyse the various problems in cross-cultural marketing and also the strategies to overcome it in India.	<b>10</b>
<b>6</b>	<b>A</b>	Define subliminal perception.	<b>3</b>
	<b>B</b>	Analyze the stages of consumer adoption process.	<b>7</b>

	<b>C</b>	Outline the CRM strategies for building relationship marketing.	<b>10</b>
<b>7</b>	<b>A</b>	State the features of brand personality.	<b>3</b>
	<b>B</b>	Summaries the concept of perceived risk and explain how consumer handle the risk.	<b>7</b>
	<b>C</b>	Illustrate the tri components model.	<b>10</b>
<b>8</b>		<b>CASE STUDY :</b>  ABC electronics a leading smartphase manufacture is planning to launch its latest flagship model. The company wants to understand the factors influencing the consumers purchasing decision in the smart phone market to tailor its market approach.	
	<b>A</b>	Explain the primary factors influencing the consumers choice of smart phones.	<b>10</b>
	<b>B</b>	How do technological advertisements and innovation influence consumer performance.	<b>10</b>

### Solutions for VTU Third Semester MBA – Consumer Behaviour

#### Q1A. Define consumerism. (3 Marks)

Consumerism refers to the movement or ideology aimed at promoting the rights and powers of consumers in relation to sellers. It involves practices that protect consumers from unfair trade practices, ensuring safety, information, choice, and the right to be heard.

#### Q1B. Characteristics of Indian consumers with examples. (7 Marks)

1. **Value-conscious:** Prefer quality at reasonable prices.
2. **Family-orientated:** Purchase decisions influenced by family needs.
3. **Brand awareness:** Inclined towards reputed brands like Tata, Patanjali.
4. **Cultural influence:** Traditions affect buying patterns (e.g., festival shopping).
5. **Price-sensitive:** Emphasis on discounts and offers.
6. **Digital adoption:** Increasing use of online platforms.
7. **Aspiration-driven:** Desire for premium products among youth.

#### Q1C. "Consumer rights are human rights in the marketplace" – Interpret and explain rights and responsibilities. (10 Marks)

**Rights:**

1. Right to safety
2. Right to be informed
3. Right to choose
4. Right to be heard
5. Right to redressal
6. Right to consumer education

**Responsibilities:**

- Be aware of rights
- Check product information
- File complaints when necessary
- Avoid unethical practices (e.g., counterfeit goods)

Interpretation: Ensuring consumer rights strengthens democracy and protects dignity in economic transactions.

**Q2A. Features of online decision-making. (3 Marks)**

- Accessibility to information
- Comparison of alternatives
- Speed and convenience
- Peer reviews and ratings

**Q2B. Levels of consumer decision making. (7 Marks)**

1. **Extensive problem solving:** New or expensive products
2. **Limited problem solving:** Occasional purchases
3. **Routine response behavior:** Regular items (e.g., toothpaste)

**Q2C. Consumer decision-making process: Input-Output model with diagram. (10 Marks)**

**Input Stage:**

- Marketing stimuli
- Sociocultural influences

**Process Stage:**

- Need recognition
- Information search
- Evaluation of alternatives
- Purchase

**Output Stage:**

- Purchase behavior

- Post-purchase evaluation

**Diagram:**

[ Input Stage ]

| Marketing Mix

| Sociocultural Inputs



[ Process Stage ]

→ Need Recognition

→ Information Search

→ Evaluation of Alternatives

→ Purchase Decision



[ Output Stage ]

→ Purchase Behavior

→ Post-Purchase Evaluation

**Q3A. Define consumer imagery. (3 Marks)**

Consumer imagery refers to the way consumers perceive themselves and the products they use. It includes brand images, self-image, and social perceptions linked with consumption.

**Q3B. Freud's Psychoanalytical Theory in Marketing. (7 Marks)**

- Based on id, ego, and superego
- Consumers are driven by unconscious motives
- Marketers appeal to emotions and hidden desires (e.g., luxury cars, perfumes)

**Applications:**

- Subliminal messaging
- Fantasy appeals in ads

**Q3C. Maslow's Need Hierarchy & Product Examples. (10 Marks)**

1. **Physiological Needs:** Basic needs (e.g., food, water)
2. **Safety Needs:** Pension plan
3. **Social Needs:** Car (symbol of social belonging)
4. **Esteem Needs:** Laptop (professional recognition)
5. **Self-actualization:** Rolex Watch (personal fulfillment)

**Q4A. Considerations in designing persuasive communication. (3 Marks)**

- Clarity and simplicity
- Emotional appeal
- Use of credible sources
- Target audience segmentation

**Q4B. Pavlovian Learning Theory in Marketing. (7 Marks)**

- Based on stimulus-response conditioning
- Marketers pair brand (neutral stimulus) with emotional stimulus (music, celebrity)

**Example:** Coca-Cola ad with happy music and family scenes.

**Q4C. ELM Model components with example. (10 Marks)**

**Central Route:**

- Logical argument
- High involvement (e.g., car purchase)

**Peripheral Route:**

- Attractiveness, colors, music
- Low involvement (e.g., chips)

**Example:** iPhone ads with features vs. soft drink ads with music

**Q5A. Features of Opinion Leadership. (3 Marks)**

- Influential in social groups
- Higher product knowledge
- Trusted by peers
- Early adopters

**Q5B. Reference Group Appeals with Example. (7 Marks)**

- **Celebrities:** Lux soap
- **Expert opinion:** Toothpaste by dentists
- **Peer group:** Youth clothing brands

Used in advertising to create social pressure.

**Q5C. Cross-cultural marketing issues & strategies. (10 Marks)**

**Problems:**

- Language barriers
- Cultural taboos
- Value differences
- Consumption patterns

**Strategies:**

- Localized branding
- Cultural sensitivity training
- Hiring local talent
- Market research

**Q6A. Define Subliminal Perception. (3 Marks)**

Subliminal perception is when stimuli are perceived below the threshold of conscious awareness but can influence behavior.

**Example:** Hidden messages in ads.

**Q6B. Stages of Consumer Adoption Process. (7 Marks)**

1. Awareness
2. Interest
3. Evaluation
4. Trial
5. Adoption

Each stage needs specific marketing strategies.

**Q6C. CRM Strategies for Relationship Marketing. (10 Marks)**

- Personalization
- Customer feedback systems
- Loyalty programs
- Data-driven marketing
- Post-purchase service

**Goal:** Build long-term customer relationships and repeat business.

**Q7A. Features of Brand Personality. (3 Marks)**

- Human traits associated with a brand
- Enhances brand loyalty
- Examples: Ruggedness (Jeep), Sophistication (Rolex)

**Q7B. Concept of Perceived Risk & Consumer Coping (7 Marks)**

Types:

- Financial
- Functional
- Social
- Psychological
- Time

**Coping Mechanisms:**

- Seeking information
- Brand loyalty
- Guarantees
- Trial purchases

**Q7C. Tri-component model illustration. (10 Marks)**

1. **Cognitive:** Beliefs about a brand
2. **Affective:** Feelings towards brand
3. **Conative:** Intention to act (purchase)

**Example:**

- Belief: Nike is durable
- Feeling: I like Nike
- Action: I'll buy Nike shoes

**Q8A. CASE STUDY: Factors influencing smartphone choice. (10 Marks)**

- Price and affordability
- Brand reputation
- Features (camera, battery, design)
- Peer influence and reviews
- After-sales service
- Availability and delivery

**Q8B. Technological Ads & Innovation in Consumer Performance. (10 Marks)**

- Increase product awareness
- Communicate product innovation



- Build brand image
- Encourage trial through demos
- Differentiate from competitors

**Result:** Improved customer perception, engagement, and loyalty.