USN

Internal Assessment Test – 1

Sub: **Consumer Behaviour** Code: **22MBAMM303**

Date: **17/01/2024** Duration: 90 mins Max Marks: 50 Sem: III Branch: MBA

SET -2

OBE

Marks | CO | RBT

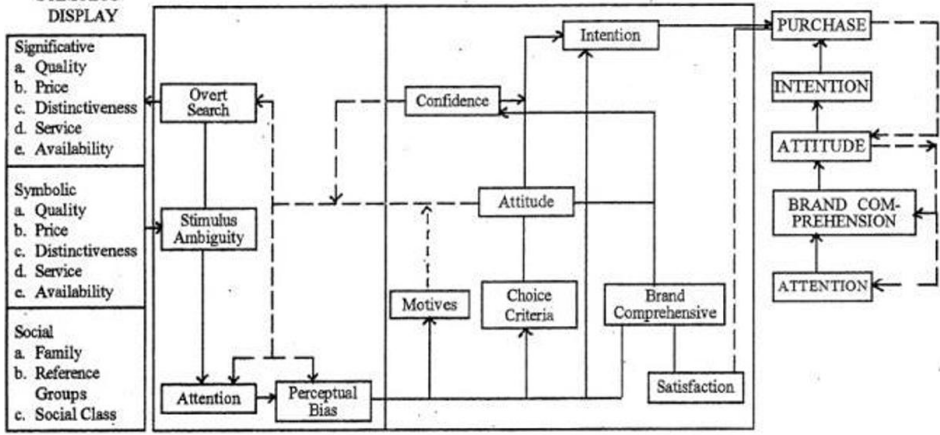|		Marks	CO	RBT
	Part A -Answer Any Two Full Questions (20*02=40 Marks)			
1(a)	What do you understand by consumerism and the various benefits of consumerism?	[03]	CO1	L1
Ans.	Consumerism refers to a movement, set of policies, and awareness efforts aimed at protecting the rights and interests of consumers. It ensures that consumers receive: • Safe products • Fair prices • Honest information • Right to choice • Protection against exploitation In essence: Consumerism is the collective effort—by consumers, government, and NGOs—to prevent unfair trade practices and ensure consumer well-being.			
(b)	Classify the four views of the consumer decision making.	[07]	CO2	L2
Ans.				

FOUR VIEWS OF CONSUMER DECISION-MAKING

	ECONOMIC VIEW	PASSIVE VIEW	EMOTIONAL VIEW	COGNITIVE VIEW
	Rational optimizer	Persuadable target	Feelings–driven	Cognitive view
DECISION STYLE	Logical, calculated	Reactive, influenced	Affective, expressive	Problem–solver
EXAMPLE	Choosing insurance, car	Impulse snack, perfume	Luxury brand, holiday	Information processing
MARKETING STRATEGY	Highlight value, comparison tools	Emotional ads, celebrity influence	Storytelling, symbolic appeal	Content marketing, product info

(c) Ans.	Demonstrate the stages in consumer decision making process with an example.	[10]	CO2	L3

1. Need Recognition (Problem Awareness)
The consumer realizes a gap between the current state and desired state.
Example
Riya's current phone is slow, hangs frequently, and the battery drains quickly.
She recognizes the need for a new smartphone.
2. Information Search
Consumers look for details about available options.
Example: Riya searches online for:
- Reviews on YouTube
- Flipkart/Amazon ratings
- Battery life, camera quality
- Price comparisons

She also consults friends and colleagues.
3. Evaluation of Alternatives
Consumers compare brands and features to select the best option.
Example: Riya compares:
- Samsung A-series (battery + display)
- OnePlus Nord (performance + charging speed)
- iPhone SE (brand prestige)

She evaluates each based on price, features, warranty, and design.
4. Purchase Decision
The consumer chooses a product and decides where, when, and how to buy it.
Example: After comparing, Riya decides to purchase the OnePlus Nord during an Amazon sale because the price is lower and delivery is quick.
5. Post-Purchase Behaviour
The consumer evaluates the experience after the purchase.
Example: Riya loves the camera and fast charging. She writes a positive review on Amazon and recommends it to her friends.
If she had issues, she might return the product or develop negative attitudes.

2(a) Ans.	Define motivation from the perspective of consumer behavior.	[03]	CO1	L1

Motivation in consumer behaviour refers to the internal driving force that stimulates, directs, and sustains a consumer's desire to fulfill a need or achieve a goal.
It is the inner energy that pushes a consumer from recognizing a need → to taking action → to satisfying that need.

(b) Ans.	Elaborate the dimensions of situational influences on consumer behavior.	[07]	CO2	L2

Situational influences refer to **temporary factors** that affect consumer behaviour at a particular time and place. These influences can alter purchase decisions independent of the consumer's personal characteristics or product attributes.
Belk identified **five major dimensions**:
1. Physical (Environmental) Surroundings
These include the **tangible, observable** elements around the consumer.
Examples
- Store layout and design
- Lighting, colour, temperature
- Music, aroma, cleanliness

- Crowd density
- In online contexts: website design, page loading speed

Effect
- Pleasant ambience → longer browsing, impulse purchases
- Crowded stores → quick decisions or store avoidance

2. Social Surroundings

The **people present** during the purchase or consumption situation.

Examples
- Friends, family, salespeople, other customers
- Social pressure, norms, expectations
- Online: reviews, influencers, virtual communities

Effect
- Consumers buy premium items when accompanied by others
- Children's requests influence parents' purchases
- Peer presence increases spending (social facilitation)

3. Temporal Factors (Time-Related Influences)

Time-related factors that influence buying behaviour.

Examples
- Time of day / day of week
- Amount of time available (time pressure)
- Seasonality (festival, end-of-season sale)
- Time since last purchase
- Delivery time in online shopping

Effect
- Time pressure → quick decisions, fewer comparisons
- Festivals → higher purchase of gifts, groceries
- Flash sales → impulse buying

4. Task Definition (Purpose of Purchase)

The **reason** or **goal** behind the purchase.

Examples
- Buying for self vs buying for gift
- Personal use vs corporate use
- Routine purchase vs special occasion
- Online: personal shopping vs shopping for someone else (shared carts)

Effect
- Gift purchases → more premium or emotional purchases
- Corporate purchases → bulk, cost-driven buying
- Occasions (birthday, wedding) → higher spending

5. Antecedent States (Temporary Internal States)

Short-term psychological and emotional conditions of the consumer.

Examples
- Moods (happy, stressed, irritated)
- Emotions (excitement, anxiety)
- Physiological states (hunger, fatigue)
- Financial temporary states (salary day vs month-end)

Effect
- Happy mood → more shopping, impulse purchases
- Stress → comfort products (chocolates, spa services)
- Hunger → food purchases, quick decisions

(c)	Explain the nature and characteristics of Indian consumers.	[10]	CO1	L3
Ans.	Indian consumers are unique because of the country's **diverse culture, income**			

	variations, digital adoption, and changing socio-economic environment. Their buying behaviour is influenced by tradition, family, value-seeking attitudes, and rapid modernization. Students are expected to explain the above factors.			
3(a) Ans.	What do you understand by Complex/Extensive problem-solving behavior? Complex (or extensive) problem-solving refers to a high-involvement, high-effort buying process consumers undertake when purchasing products that are expensive, risky, infrequent, or highly important. In this situation, the consumer: • has little prior knowledge or experience with the product • spends significant time gathering information • compares many brands and attributes • evaluates alternatives carefully • makes a deliberate and thoughtful decision This type of behaviour typically involves longer decision cycles and higher cognitive processing.	[03]	CO2	L1
(b) Ans	Discuss the positive and negative motivation with relevant examples. **1. Positive Motivation (Approach Motivation)** Positive motivation occurs when consumers are driven by a desire to achieve a positive goal, gain benefits, or experience satisfaction. It leads to approach behaviour — moving *towards* something appealing. **Key Features** • Desire for benefits • Aspirational goals • Pleasure-oriented • Emotional or rational attraction Consumer Behaviour Examples 1. Buying a gym membership to get fit and look better. 2. Purchasing an iPhone to experience premium features and enhance status. 2. **Negative Motivation (Avoidance Motivation)** Negative motivation occurs when consumers are driven by a desire to avoid a negative outcome, risk, or loss. It leads to avoidance behaviour — moving *away from* something undesirable. **Key Features** • Fear of danger or loss • Risk avoidance • Prevention-focused • Anxiety-reducing choices Consumer Behaviour Examples 1. Buying health insurance to avoid financial loss during illness. 2. Using sunscreen to avoid skin damage.	[07]	CO2	L2
(c)	Describe the Howard-Sheth model of consumer decision making with a neat diagram.	[10]	CO4	L4

(Source: John A Howard, Jagdish Sheth. The Theory of Buyer Behaviour, John Wiley, 1969)

	Part B - Compulsory (01*10=10marks)			
4	During the COVID-19 lockdown, Indian consumers rapidly shifted from offline kirana shopping to online grocery platforms like BigBasket, Blinkit, and Zepto. Radhika, a 34-year-old working mother from Mumbai, had always purchased groceries from a neighbourhood shop. However, during the lockdown, Radhika felt scared to move out due to safety concerns. She explored grocery apps on a friend's recommendation. She compared delivery time on the apps Blinkit (10 min delivery) and BigBasket(next day delivery). Her first order from Blinkit came with damaged bread, so she felt uncertain about Blinkit. Although BigBasket had longer delivery time but she found it to be reliable. Hence, she switched the app. Now, one year later, Radhika continues using BigBasket due to her habit and trust factor. Answer the following:	CO1 [5] [5]	L4	
(a) Ans.	Analyze the various stages of Radhika's Online Consumer Decision-Making Process. Stages • Need recognition → safety concerns • Information search → friend's influence + app browsing • Evaluation → delivery time, reliability • Purchase → Blinkit • Post-purchase → dissatisfaction → repeat behaviour with BigBasket			
(b) Ans.	Illustrate which situational influences triggered her initial purchase? Situational Influences • Physical surrounding (lockdown) • Social surroundings (friend) • Task definition (urgent groceries) • Temporal (delivery time pressure)			